



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

THIS IS THE END OF MUR # 1547

Date Filmed 7-26-83 Camera No. --- 2

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FEDERAL ELECTION COMMISSION

12 Day Report
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The above-described material was removed from this file pursuant to the following exemption provided in the Freedom of Information Act, 5 U.S.C. Section 552(b):

- | | | | |
|----------|---|----------|--|
| <u> </u> | (1) Classified Information | <u> </u> | (6) Personal privacy |
| <u>X</u> | (2) Internal rules and practices | <u> </u> | (7) Investigatory files |
| <u> </u> | (3) Exempted by other statute | <u> </u> | (8) Banking Information |
| <u> </u> | (4) Trade secrets and commercial or financial information | <u> </u> | (9) Well Information (geographic or geophysical) |
| <u>X</u> | (5) Internal Documents | | |

Signed *D.A. Finch*
Date 22 June 1983

83040413891



Stauffer Chemical Company
 Westport, Connecticut 06881 / Tel. (203) 222-3000 / Cable "Staufchem"

RECEIVED BY THE REC
 Cut # 395

13 JUN 29 14:47

GENERAL INVESTIGATIVE
 DIVISION

June 24, 1983

Mr. G.A. Finch
 Attorney
 Federal Election Commission
 Washington, D.C. 20463

Re: MUR 1547

Dear Mr. Finch:

This letter is in response to the Commission's finding in the above referenced complaint.

It is the Company's position that Local Union 8767, United Steelworkers of America, AFL-CIO-CLC request for information about soliciting voluntary contributions to a political action committee raised several legal issues, each of which is discussed in our May 9, 1983 letter to you.

The Company believes that because the Union's letter did not anticipate the legal issues and dispose of them, the existence of a valid Union request was not established. If the Union's request was itself insufficient to raise an obligation on the part of the Company, the Company could not have failed to comply with any statutory requirements by not responding to the request.

Therefore, although Stauffer has responded to the Union, and the Commission is closing its files on this matter, we believe that a violation did not, in fact, occur.

Very truly yours,

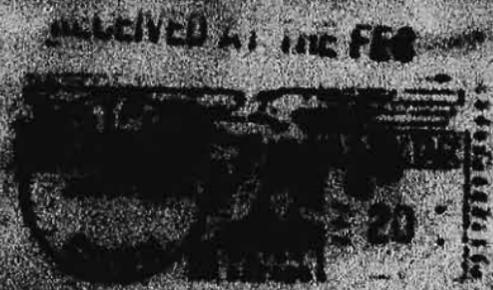
William J. Berliner
 William J. Berliner
 Attorney - Employee Relations

WJB/ch

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Stauffer Chemical Company
Corporate Headquarters - Westport, CT 06881



Mr. G.A. Finch
Attorney
Federal Election Commission
Washington, D.C. 20463

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077-052



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

June 21, 1983

William H. Schmelling
Assistant General Counsel
United Steelworkers of America
One East Wacker Drive
Suite 1910
Chicago, Illinois 60601-1980

Re: MUR 1547

Dear Mr. Schmelling:

This is in reference to the complaint you filed with the Commission on April 20, 1983, concerning the refusal by Stauffer Chemical Company, to make available to the United Steelworkers of America a method of soliciting contributions from its members to the union's separate segregated fund.

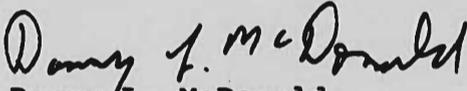
Based on your complaint, the Commission determined on June 13, 1983 there was reason to believe that the Cold Creek Organic Plant of the Stauffer Chemical Company, violated 2 U.S.C. § 441b(b)(6), a provision of the Federal Election Campaign Act of 1971, as amended (the "Act"), and 11 C.F.R. § 114.5(k), a provision of the Commission's regulations. The Commission, after having considered the response by the respondent dated May 9, 1983, concluded that the respondent had undertaken the steps necessary to meet the requirements of those sections of the Act and regulations. Accordingly, the Commission has decided to take no further action in this matter, numbered MUR 1547, and the file has been closed. This matter will become part of the public record within 30 days. Should you wish to submit any factual or legal materials to appear on the public record, please do so within ten days. The Federal Election Campaign Act allows a Complainant to seek judicial review of the Commission's dismissal of this action. See 2 U.S.C. § 437g(a)(8).

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William H. Schmelling
Page Two

If you have any questions, please contact G.A. Finch, the attorney assigned to this matter, at (202)523-4060.

Sincerely,


Danny L. McDonald,
Chairman

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

June 21, 1983

William J. Berliner
Attorney
Stauffer Chemical Company
Westport, Connecticut 06881

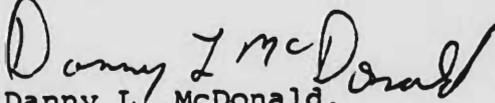
Dear Mr. Berliner:

On June 13, 1983, the Commission found reason to believe that your client, the Stauffer Chemical Co., had violated 2 U.S.C. § 441b(b)(6), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"), and 11 C.F.R. § 114.5(k), a provision of the Commission's Regulations, in connection with the above referenced MUR. However, after considering the circumstances of this matter, the Commission has determined to take no further action and close its file as it pertains to your client. The file will be made part of the public record within 30 days. Should you wish to submit any materials to appear on the public record, please do so within ten days.

The Commission reminds you that your failure to make available, upon request, a method of soliciting contributions to a separate segregated fund from employee members of a union at cost to that organization is a violation of the Act when any branch of the corporation utilizes such a method for soliciting contributions to its separate segregated fund from its permissible class of solicitees. The Commission acknowledges that you have now made available a similar method of solicitation to the United Steelworkers of America.

If you have any questions, please direct them to G.A. Finch, the attorney assigned to this matter, at (202)523-4060.

Sincerely,


Danny L. McDonald,
Chairman

Enclosures

83040413836



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

DAJ
6-16-83

William H. Schmelling
Assistant General Counsel
United Steelworkers of America
One East Wacker Drive
Suite 1910
Chicago, Illinois 60601-1980

Re: MUR 1547

Dear Mr. Schmelling:

This is in reference to the complaint you filed with the Commission on April 20, 1983, concerning the refusal by Stauffer Chemical Company, to make available to the United Steelworkers of America a method of soliciting contributions from its members to the union's separate segregated fund.

Based on your complaint, the Commission determined on , 1983 there was reason to believe that the Cold Creek Organic Plant of the Stauffer Chemical Company, violated 2 U.S.C. § 441b(b)(6), a provision of the Federal Election Campaign Act of 1971, as amended (the "Act"), and 11 C.F.R. § 114.5(k), a provision of the Commission's regulations. The Commission, after having considered the response by the respondent dated May 9, 1983, concluded that the respondent had undertaken the steps necessary to meet the requirements of those sections of the Act and regulations. Accordingly, the Commission has decided to take no further action in this matter, numbered MUR 1547, and the file has been closed. This matter will become part of the public record within 30 days. Should you wish to submit any factual or legal materials to appear on the public record, please do so within ten days. The Federal Election Campaign Act allows a Complainant to seek judicial review of the Commission's dismissal of this action. See 2 U.S.C. § 437g(a)(8).

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William H. Schmelling
Page Two

If you have any questions, please contact G.A. Finch, the attorney assigned to this matter, at (202)523-4060.

Sincerely,

83040413888



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

William J. Berliner
Attorney
Stauffer Chemical Company
Westport, Connecticut 06881

Dear Mr. Berliner:

On , 1983, the Commission found reason to believe that your client, the Stauffer Chemical Co., had violated 2 U.S.C. § 441b(b)(6), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"), and 11 C.F.R. § 114.5(k), a provision of the Commission's Regulations, in connection with the above referenced MUR. However, after considering the circumstances of this matter, the Commission has determined to take no further action and close its file as it pertains to your client. The file will be made part of the public record within 30 days. Should you wish to submit any materials to appear on the public record, please do so within ten days.

The Commission reminds you that your failure to make available, upon request, a method of soliciting contributions to a separate segregated fund from employee members of a union at cost to that organization is a violation of the Act when any branch of the corporation utilizes such a method for solicitating contributions to its separate segregated fund from its permissible class of solicitees. The Commission acknowledges that you have now made available a similar method of solicitation to the United Steelworkers of America.

If you have any questions, please direct them to G.A. Finch, the attorney assigned to this matter, at (202)523-4060.

Sincerely,

Enclosures

83040413889



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

DAM
6-16-83

William J. Berliner
Attorney
Stauffer Chemical Company
Westport, Connecticut 06881

Dear Mr. Berliner:

On , 1983, the Commission found reason to believe that your client, the Stauffer Chemical Co., had violated 2 U.S.C. § 441b(b)(6), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"), and 11 C.F.R. § 114.5(k), a provision of the Commission's Regulations, in connection with the above referenced MUR. However, after considering the circumstances of this matter, the Commission has determined to take no further action and close its file as it pertains to your client. The file will be made part of the public record within 30 days. Should you wish to submit any materials to appear on the public record, please do so within ten days.

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If you have any questions, please direct them to G.A. Finch, the attorney assigned to this matter, at (202)523-4060.

Sincerely,

Enclosures

83040413890

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
) MUR 1547
Stauffer Chemical Company)

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on June 13, 1983, the Commission decided by a vote of 6-0 to take the following actions in MUR 1547:

1. Find reason to believe that the Stauffer Chemical Company violated 2 U.S.C. § 441b(b)(6) and 11 C.F.R. § 114.5(k).
2. Take no further action and close the file.
3. Approve and send the letters as attached to the First General Counsel's Report dated June 9, 1983.

Commissioners Aikens, Elliott, Harris, McDonald, McGarry and Reiche voted affirmatively in this matter.

Attest:

6-14-83

Date

Marjorie W. Emmons

Marjorie W. Emmons
Secretary of the Commission

Received in Office of Commission Secretary:
Circulated on 48 hour tally basis:

6-9-83, 10:08
6-9-83, 4:00

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SENSITIVE

FEDERAL ELECTION COMMISSION
1325 K Street, NW
Washington, D.C. 10463

RECEIVED
OFFICE OF THE
COMMISSION SECRETARY

83 JUN 9 A10: 08

FIRST GENERAL COUNSEL'S REPORT

DATE AND TIME OF TRANSMITTAL
BY OGC TO THE COMMISSION: 6/9/83 - 10:15

MUR 1547
STAFF MEMBER:
G.A. Finch

COMPLAINANT'S NAME: United Steelworkers of America

RESPONDENT'S NAME: Stauffer Chemical Company

INTERNAL REPORTS CHECKED: Reports of Stauffer Chemical
Company Political Contribution
Committee and United Steelworkers
of America Political Action Fund

FEDERAL AGENCIES CHECKED: None

SUMMARY OF ALLEGATIONS

On April 20, 1983, Local Union, AFL-CIO-CLC (the "Steelworkers' Union") filed a complaint with the Commission (Attachment I). The Steelworkers' Union represents the employees of the Stauffer Chemical Company ("Stauffer Co.") at the Cold Creek Organic Plant in Bucks, Alabama. The complaint alleges that Stauffer Co. violated 2 U.S.C. § 441b(b)(6) and 11 C.F.R. § 114.5(k).

The Steelworkers' Union, by letter dated September 21, 1982, requested Stauffer Co. to provide information regarding the methods of the Stauffer Co. in soliciting or facilitating the making of voluntary political contributions. See Exhibit A of the Complaint. Although Stauffer Co. did make a one-time

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December 1981 solicitation of select salaried personnel and it does have a payroll deduction system, it did not respond to the union's request prior to the complaint. Stauffer Co. responded to the complaint on May 13, 1983 (Attachment II).

FACTUAL AND LEGAL ANALYSIS

Stauffer Co. solicited political contributions for its Political Contributions Committee from certain employees in December 1981. These employees received the solicitations in their homes by mail and could make contributions either by payroll deductions or by a lump sum payment. No solicitation for political contributions has been made since the one-time solicitation in December 1981.

The evidence indicates that there is no dispute that the Steelworker's Union represents the employees of the Stauffer Co. and that it formally requested the company to make available to it the company's methods of solicitation. Stauffer failed to respond to the request of the Steelworker's Union until after the FEC complaint was filed (approximately 7 months elapsed between the time of the request and the time of the complaint).

2 U.S.C. § 441b(b) (6) requires a company to provide at cost to the labor organization representing its employees, on written request, the company's methods of soliciting voluntary contributions or facilitating the making of voluntary political contributions.

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Stauffer Co.'s failure to respond for a period of 7 months seems facially to establish a finding of reason to believe a violation has occurred. However, such finding is partially mitigated in that Stauffer Co., in its response to the complaint, explained that the labor organization's request raised several legal issues which counsel for Stauffer Co. was reviewing when the complaint arrived. Stauffer Co. also indicated that it had complied with the labor organization's request. A copy of the letter for making the payroll deduction program available to the Steelworker's Union was attached to the response. An analysis of this response reveals that the plan offered to the labor organization meets the objection of 441b(b)(6) in that it provides a similar method of solicitation.

Accordingly, the General Counsel recommends that the Commission find reason to believe that Stauffer Co. violated 2 U.S.C. § 441b(b)(6). However, since Stauffer Co. has now made available similar methods of solicitation to the Steelworker's Union, the Office of General Counsel further recommends that the Commission take no further action in this matter and close the file.

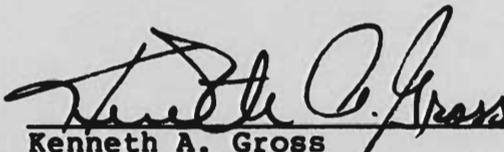
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RECOMMENDATIONS

1. Find reason to believe that the Stauffer Chemical Company violated 2 U.S.C. § 441b(b) (6) and 11 C.F.R. § 114.5(k).
2. Take no further action and close the file.
3. Approve and send the attached letters.

Charles N. Steele
General Counsel

June 8, 1983
Date

BY: 
Kenneth A. Gross
Associate General Counsel

Attachments:

- I. Complaint and Exhibit A
- II. Response from Stauffer Co.
- III. Respondent's Letter to Complainant
- IV. Letter to Respondent
- V. Letter to Complainant

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20 85 RECEIVED AT THE CLC
CCCA 9900
APR 25 10:33
United Steelworkers of America

AFL-CIO-CLC

ONE EAST WACKER DRIVE
SUITE 1910
CHICAGO, ILLINOIS 60601-1980
(312) 467-1995

April 20, 1983

Charles N. Steele
General Counsel
Federal Election Commission
Washington, D.C. 20463

Re: Stauffer Chemical Company
2 U.S.C. Section 437g(a)(1) Complaint

Dear Mr. Steele:

Pursuant to 2 U.S.C. Section 437g(a)(1) and Section 11.4 of the FEC Regulations, the United Steelworkers of America submits the following complaint against the Stauffer Chemical Company and states, on information and belief, that:

(1) The Stauffer Chemical Company makes available to its stockholders or executive and administrative personnel a payroll deduction program to facilitate the making by such personnel of contributions to the Stauffer Chemical Company Political Contributions Committee;

(2) The United Steelworkers of America, as the exclusive collective bargaining representative of certain non-management production and maintenance employees at the Company's Cold Creek Organic Plant, located in Bucks, Alabama, requested the Company to inform the Union of what methods of soliciting voluntary political contributions or facilitating the making of such contributions are used by the Company or by any other subsidiaries, branches, divisions or affiliates and also requested that such methods be made available to the Union. A copy of a letter dated September 21, 1982, from Phillip G. Stanley, President of the United Steelworkers of America Local Union 8767, making these requests, in writing, is attached as Appendix A;

(3) The Company has failed to respond to that request and has refused and continues to refuse to make available to the Union any payroll deduction plan for facilitating the making of voluntary contributions to the USWA Political Action Fund;

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Attachment I, p. 1

Charles N. Steele

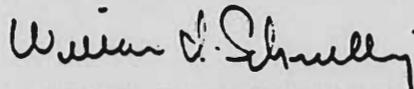
April 20, 1983

(4) Such action by Stauffer Chemical Company is in violation of 2 U.S.C. Section 441b(6) and is contrary to Section 114.5(k) of FEC's Regulations.

The Union requests that an investigation promptly be made of the facts set forth in this complaint and that appropriate action be taken to require Stauffer Chemical Company to make available to the Union a wage deduction program for facilitating the making of voluntary contributions to the USWA PAF.

Attached as Appendix B to this letter is my affidavit verifying the facts set forth herein.

Very truly yours,



William H. Schmelling
Assistant General Counsel

WHS/am
Enclosures

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LOCAL UNION 8767
United Steelworkers of America
AFL-CIO-CLC

7

September 21, 1982

Mr. William Ernest, Sr.
Personnel Manager
Stauffer Chemical Company
Cold Creek Organic Plant
Post Office Box 32
Bucks, Alabama 36512

Dear Mr. Ernest:

Local Union 8767, United Steelworkers of America, AFL-CIO-CLC, represents members working for your corporation, Stauffer Chemical Company, Cold Creek Organic Plant. The Federal Election Campaign Act Amendments of 1976 provide that:

"any corporation, including its subsidiaries, branches, divisions, and affiliates, that utilizes a method of soliciting voluntary contributions or facilitating the making of voluntary contributions, shall make available such method, on written request and at a cost sufficient only to reimburse the corporation for the expenses incurred thereby, to a labor organization representing any members working for such corporation, its subsidiaries, branches, divisions and affiliates."

The purpose of this letter is to make the written request which will oblige you to make available to us the methods of soliciting voluntary contributions or facilitating the making of voluntary contributions utilized by the corporation, including its subsidiaries, branches, divisions and affiliates.

More specifically, we hereby request that you state to us the methods of soliciting voluntary contributions or facilitating the making of voluntary contributions presently used by the corporation including its subsidiaries, branches, divisions and affiliates so that we can determine which of these we will also use. This request is made on the understanding that our correlative rights are qualified by the obligation to reimburse the corporation for any expenses incurred thereby. We are, of course, prepared to meet that obligation.

Attachment I, p. 3

EXHIBIT A

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September 21, 1982

Page 2

To minimize unnecessary paperwork, this request is intended to be of a continuing nature. Thus, if the corporation, its subsidiaries, branches, divisions and affiliates determine in the future to utilize a method of soliciting voluntary contributions or facilitating the making of voluntary contributions, we would expect to be promptly advised of that action so that we can determine whether to take advantage of any correlative rights.

Enclosed you will find a copy of the PAC Contract Checkoff Clause as well as a copy of the federal statute authorizing the establishment of and contributions to political action funds by labor organizations. I believe that the sections of the Act which will be of primary interest to you are S S 441b (b) (2) (C) and 441b (b) (6).

If you have any questions concerning this request or the information provided, I will be happy to answer them.

Yours very truly,

/s/ Phillip G. Stanley

Phillip G. Stanley
President, Local Union 8767
United Steelworkers of America
AFL-CIO-CLC

enclosures

ps

cc: William Thompson
Roy E. Brockman

Attachment 3, p. 4

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Stauffer Chemical Company

Westport, Connecticut 06881 / Tel. (203) 222-3000 / Cable "Staufferchem"

83 MAY 13

AIU: 85

GCC#39

Finch

May 9, 1983

Mr. G.A. Finch
Attorney
Federal Election Commission
Washington, D.C. 20463

MAY 13 11:32

Re: MUR 1547

Dear Mr. Finch:

This letter is in response to the notice of complaint numbered MUR 1547.

The Cold Creek, Alabama plant received a request from the President, Local Union 8767, United Steelworkers of America, AFL-CIO-CLC, asking for information about methods used to solicit voluntary contributions or facilitating such contributions. The request was forwarded by the Cold Creek plant to the Regional office in Atlanta, Georgia. Later, the Union's request was forwarded to corporate headquarters in Westport, CT.

The form and scope of the Union's request raised several legal issues, outlined below, which were being reviewed by counsel when the complaint arrived.

1. Scope of permissible solicitations by union. Under 11 CFR 114.5(1) "...Notwithstanding any other law, any method of soliciting voluntary contributions....permitted by law to corporations.....shall also be permitted to labor organizations with regard to their members." (emphasis added)

While unions can clearly solicit their own members, the provisions for a union to solicit non-members (such as executives), as provided in Section 114.6(b), does not contain the provision "notwithstanding any other law." Under the National Labor Relations Act, 29 U.S.C. Sec. 151 et. seq., a union does not have the right to solicit executive personnel.

Attachment II, p.5

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The Union's request to Stauffer asked for information about the methods used to solicit voluntary contributions "..... so that we can determine which of these we will also use."

Since the Union's letter did not indicate whether solicitation would extend beyond its own membership, it was necessary for counsel to determine the Company's position on the scope of permissible solicitations by a union.

2. Check off of PAC contributions - The Union's request included a "PAC Contract Checkoff Clause" (not attached to the complaint materials). The checkoff clause raised at least three legal issues. First, during the term of an existing labor agreement (July 2, 1981 -- July 2, 1984), the contract is not subject to renegotiation. Provision for any PAC contributions as a checkoff under the labor contract would have to be negotiated when the current contract is renegotiated in 1984.

Second, the proposed PAC checkoff provides no method for cancellation of the authorization. (Compare the union dues checkoff authorization, which provides that an employee may cancel the authorization ".....within fifteen days following the expiration of any such year or within fifteen days following the termination date of any collective bargaining agreement.." Article III, Agreement between Stauffer and International Union United Steelworkers of America AFL-CIO-CLC, Local 8767, copy attached). Such cancellation provision is included pursuant to the National Labor Relations Act. Counsel for Stauffer was reviewing the corresponding need for cancellation clause with regard to any PAC payroll deduction authorization.

Third, the checkoff clause could be subject to grievance/arbitration provisions of the labor agreement, unless excluded from that procedure. That too, may require negotiations and agreement.

The Union's complaint to the Commission does not include the proposed checkoff language. This allows us to defer concerns about checkoff language under the collective bargaining agreement. Stauffer has now responded to the Union's request for information concerning methods of soliciting voluntary contributions and facilitating the making of voluntary contributions. A copy of Stauffer's letter to the United Steelworkers is enclosed. Details of any payroll deduction system will be worked out with the Union if they are interested in obtaining this service at cost. Therefore, we believe that the issues raised in MUR 1547 are moot, and that no further action is necessary.

Sincerely,

William J. Berliner

William J. Berliner
Attorney - Employee Relations

cc: J.W. Heptinstall
G.L. Suydam

Attachment II, p.6

WJB/ch

83040413901



Stauffer Chemical Company

Suite 500/1775 The Exchange/Atlanta, Georgia 30339/Tel. (404) 952-1775

May 10, 1983

Mr. Phillip G. Stanley
President, Local Union 8767
United Steelworkers of America
c/o Stauffer Chemical Company
P.O. Box 32
Bucks, AL 36512

Dear Mr. Stanley:

The following information is provided in response to your request for information about the Company's methods of soliciting voluntary contributions or facilitating the making of voluntary contributions.

In December 1981, select salaried employees were solicited to make contributions to the Stauffer Chemical Company Political Contributions Committee. The solicitation was made by mail to such employees' homes. The solicitation offered these employees a choice of a one-time contribution, or of completing an authorization for payroll deductions. Such payroll deductions were remitted to the committee by Stauffer. No solicitation has been made since December 1981. No solicitation other than by mail to eligible employees' homes has ever been made.

Stauffer can make available a payroll deduction program to facilitate contributions to the United Steelworkers of America Political Action Fund by members of Local Union No. 8767, if you wish to implement such a program. Details for implementing a payroll deduction program will have to be discussed in order to establish parameters for determining start-up and maintenance costs. If you wish to proceed with implementation of a payroll deduction program, please let me know.

Yours truly,

STAUFFER CHEMICAL COMPANY

G.L. Soydam
Employee Relations Representative

GLS:db

cc: William H. Schmelling, Asst. Gen. Counsel
United Steelworkers of America
One East Wacker Drive, Suite 1910
Chicago, IL 60601-1980

✓W.J. Berliner
J.W. Heptinstall

Attachment III, p. 7

83040413902



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

William J. Berliner
Attorney
Stauffer Chemical Company
Westport, Connecticut 06881

Dear Mr. Berliner:

On , 1983, the Commission found reason to believe that your client, the Stauffer Chemical Co., had violated 2 U.S.C. § 441b(b)(6), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"), and 11 C.F.R. § 114.5(k), a provision of the Commission's Regulations, in connection with the above referenced MUR. However, after considering the circumstances of this matter, the Commission has determined to take no further action and close its file as it pertains to your client. The file will be made part of the public record within 30 days. Should you wish to submit any materials to appear on the public record, please do so within ten days.

The Commission reminds you that your failure to make available, upon request, a method of soliciting contributions to a separate segregated fund from employee members of a union at cost to that organization is a violation of the Act when any branch of the corporation utilizes such a method for soliciting contributions to its separate segregated fund from its permissible class of solicitees. The Commission acknowledges that you have now made available a similar method of solicitation to the United Steelworkers of America.

If you have any questions, please direct them to G.A. Finch, the attorney assigned to this matter, at (202)523-4060.

Sincerely,

Enclosures

Attachment IV, p 8

83040413903



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

William H. Schmelling
Assistant General Counsel
United Steelworkers of America
One East Wacker Drive
Suite 1910
Chicago, Illinois 60601-1980

Re: MUR 1547

Dear Mr. Schmelling:

This is in reference to the complaint you filed with the Commission on April 20, 1983, concerning the refusal by Stauffer Chemical Company, to make available to the United Steelworkers of America a method of soliciting contributions from its members to the union's separate segregated fund.

Based on your complaint, the Commission determined on , 1983 there was reason to believe that the Cold Creek Organic Plant of the Stauffer Chemical Company, violated 2 U.S.C. § 441b(b)(6), a provision of the Federal Election Campaign Act of 1971, as amended (the "Act"), and 11 C.F.R. § 114.5(k), a provision of the Commission's regulations. The Commission, after having considered the response by the respondent dated May 9, 1983, concluded that the respondent had undertaken the steps necessary to meet the requirements of those sections of the Act and regulations. Accordingly, the Commission has decided to take no further action in this matter, numbered MUR 1547, and the file has been closed. This matter will become part of the public record within 30 days. Should you wish to submit any factual or legal materials to appear on the public record, please do so within ten days. The Federal Election Campaign Act allows a Complainant to seek judicial review of the Commission's dismissal of this action. See 2 U.S.C. § 437g(a)(8).

Attachment V, p. 9

83040413904

William H. Schmelling
Page Two

If you have any questions, please contact G.A. Finch, the
attorney assigned to this matter, at (202)523-4060.

Sincerely,

Enclosures

83040413905

Attachment V, p 10

201, 85 RECEIVED BY THE CLC
6004 9900
United Steelworkers of America APR 25 AM: 33

AFLCIOCLC

ONE EAST WACKER DRIVE
SUITE 1910
CHICAGO, ILLINOIS 60601-1980
(312) 467-1995

April 20, 1983

Charles N. Steele
General Counsel
Federal Election Commission
Washington, D.C. 20463

Re: Stauffer Chemical Company
2 U.S.C. Section 437g(a)(1) Complaint

Dear Mr. Steele:

Pursuant to 2 U.S.C. Section 437g(a)(1) and Section 11.4 of the FEC Regulations, the United Steelworkers of America submits the following complaint against the Stauffer Chemical Company and states, on information and belief, that:

(1) The Stauffer Chemical Company makes available to its stockholders or executive and administrative personnel a payroll deduction program to facilitate the making by such personnel of contributions to the Stauffer Chemical Company Political Contributions Committee;

(2) The United Steelworkers of America, as the exclusive collective bargaining representative of certain non-management production and maintenance employees at the Company's Cold Creek Organic Plant, located in Bucks, Alabama, requested the Company to inform the Union of what methods of soliciting voluntary political contributions or facilitating the making of such contributions are used by the Company or by any other subsidiaries, branches, divisions or affiliates and also requested that such methods be made available to the Union. A copy of a letter dated September 21, 1982, from Phillip G. Stanley, President of the United Steelworkers of America Local Union 8767, making these requests, in writing, is attached as Appendix A;

(3) The Company has failed to respond to that request and has refused and continues to refuse to make available to the Union any payroll deduction plan for facilitating the making of voluntary contributions to the USWA Political Action Fund;

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APR 25 10:07

Charles N. Steele

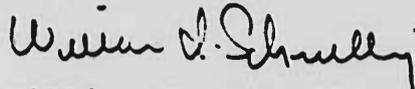
April 20, 1983

(4) Such action by Stauffer Chemical Company is in violation of 2 U.S.C. Section 441b(6) and is contrary to Section 114.5(k) of FEC's Regulations.

The Union requests that an investigation promptly be made of the facts set forth in this complaint and that appropriate action be taken to require Stauffer Chemical Company to make available to the Union a wage deduction program for facilitating the making of voluntary contributions to the USWA PAF.

Attached as Appendix B to this letter is my affidavit verifying the facts set forth herein.

Very truly yours,



William H. Schmelling
Assistant General Counsel

WHS/am
Enclosures

83040413907



LOCAL UNION 8767
United Steelworkers of America
AFL-CIO-CLC



September 21, 1982

Mr. William Ernest, Sr.
Personnel Manager
Stauffer Chemical Company
Cold Creek Organic Plant
Post Office Box 32
Bucks, Alabama 36512

Dear Mr. Ernest:

Local Union 8767, United Steelworkers of America, AFL-CIO-CLC, represents members working for your corporation, Stauffer Chemical Company, Cold Creek Organic Plant. The Federal Election Campaign Act Amendments of 1976 provide that:

"any corporation, including its subsidiaries, branches, divisions, and affiliates, that utilizes a method of soliciting voluntary contributions or facilitating the making of voluntary contributions, shall make available such method, on written request and at a cost sufficient only to reimburse the corporation for the expenses incurred thereby, to a labor organization representing any members working for such corporation, its subsidiaries, branches, divisions and affiliates."

The purpose of this letter is to make the written request which will oblige you to make available to us the methods of soliciting voluntary contributions or facilitating the making of voluntary contributions utilized by the corporation, including its subsidiaries, branches, divisions and affiliates.

More specifically, we hereby request that you state to us the methods of soliciting voluntary contributions or facilitating the making of voluntary contributions presently used by the corporation including its subsidiaries, branches, divisions and affiliates so that we can determine which of these we will also use. This request is made on the understanding that our correlative rights are qualified by the obligation to reimburse the corporation for any expenses incurred thereby. We are, of course, prepared to meet that obligation.

8304413908

September 21, 1982

Page 2

To minimize unnecessary paperwork, this request is intended to be of a continuing nature. Thus, if the corporation, its subsidiaries, branches, divisions and affiliates determine in the future to utilize a method of soliciting voluntary contributions or facilitating the making of voluntary contributions, we would expect to be promptly advised of that action so that we can determine whether to take advantage of any correlative rights.

Enclosed you will find a copy of the PAC Contract Checkoff Clause as well as a copy of the federal statute authorizing the establishment of and contributions to political action funds by labor organizations. I believe that the sections of the Act which will be of primary interest to you are S S 441b (b) (2) (C) and 441b (b) (6).

If you have any questions concerning this request or the information provided, I will be happy to answer them.

Yours very truly,

/s/ Phillip G. Stanley

Phillip G. Stanley
President, Local Union 8767
United Steelworkers of America
AFL-CIO-CLC

enclosures

ps

cc: William Thompson
Roy E. Brockman

83040413909

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

AFFIDAVIT

William H. Schmelling, being first duly sworn, on oath,
deposes and says:

1. That he is employed as a staff attorney by the United
Steelworkers of America;

2. That he is the author of the foregoing complaint letter
addressed to the General Counsel of the Federal Election Commission
concerning the Stauffer Chemical Company;

3. That the basis of the facts set forth in that complaint
letter, on information and belief, include correspondence from
United Steelworkers of America Staff Representative Roy Brockman,
USWA Local Union 8767 President Phillip Stanley, and USWA Political
Action Department Director Ernest Post; conversations with Staff
Representative Brockman and the review of records filed with the
Federal Election Commission by the Stauffer Chemical Company
Political Action Contributions Committee.

William H. Schmelling

Subscribed and Sworn to
before me this 20th day
of April, 1983.

Ann Mowrey
Notary Public

83040413910



Stauffer Chemical Company

Westport, Connecticut 06881 / Tel. (203) 222-3000 / Cable "Staufchem"

83 MAY 13

GCC#39
AW: 05

May 9, 1983

Mr. G.A. Finch
Attorney
Federal Election Commission
Washington, D.C. 20463

Re: MUR 1547

Dear Mr. Finch:

This letter is in response to the notice of complaint numbered MUR 1547.

The Cold Creek, Alabama plant received a request from the President, Local Union 8767, United Steelworkers of America, AFL-CIO-CLC, asking for information about methods used to solicit voluntary contributions or facilitating such contributions. The request was forwarded by the Cold Creek plant to the Regional office in Atlanta, Georgia. Later, the Union's request was forwarded to corporate headquarters in Westport, CT.

The form and scope of the Union's request raised several legal issues, outlined below, which were being reviewed by counsel when the complaint arrived.

1. Scope of permissible solicitations by union. Under 11 CFR 114.5(1) "...Notwithstanding any other law, any method of soliciting voluntary contributions...permitted by law to corporations.....shall also be permitted to labor organizations with regard to their members." (emphasis added)

While unions can clearly solicit their own members, the provisions for a union to solicit non-members (such as executives), as provided in Section 114.6(b), does not contain the provision "notwithstanding any other law." Under the National Labor Relations Act, 29 U.S.C. Sec. 151 et. seq., a union does not have the right to solicit executive personnel.

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CONFIDENTIAL

The Union's request to Stauffer asked for information about the methods used to solicit voluntary contributions "..... so that we can determine which of these we will also use."

Since the Union's letter did not indicate whether solicitation would extend beyond its own membership, it was necessary for counsel to determine the Company's position on the scope of permissible solicitations by a union.

2. Check off of PAC contributions - The Union's request included a "PAC Contract Checkoff Clause" (not attached to the complaint materials). The checkoff clause raised at least three legal issues. First, during the term of an existing labor agreement (July 2, 1981 -- July 2, 1984), the contract is not subject to renegotiation. Provision for any PAC contributions as a checkoff under the labor contract would have to be negotiated when the current contract is renegotiated in 1984.

Second, the proposed PAC checkoff provides no method for cancellation of the authorization. (Compare the union dues check-off authorization, which provides that an employee may cancel the authorization ".....within fifteen days following the expiration of any such year or within fifteen days following the termination date of any collective bargaining agreement.." Article III, Agreement between Stauffer and International Union United Steelworkers of America AFL-CIO-CLC, Local 8767, copy attached). Such cancellation provision is included pursuant to the National Labor Relations Act. Counsel for Stauffer was reviewing the corresponding need for cancellation clause with regard to any PAC payroll deduction authorization.

Third, the checkoff clause could be subject to grievance/arbitration provisions of the labor agreement, unless excluded from that procedure. That too, may require negotiations and agreement.

The Union's complaint to the Commission does not include the proposed checkoff language. This allows us to defer concerns about checkoff language under the collective bargaining agreement. Stauffer has now responded to the Union's request for information concerning methods of soliciting voluntary contributions and facilitating the making of voluntary contributions. A copy of Stauffer's letter to the United Steelworkers is enclosed. Details of any payroll deduction system will be worked out with the Union if they are interested in obtaining this service at cost. Therefore, we believe that the issues raised in MUR 1547 are moot, and that no further action is necessary.

Sincerely,


William J. Berliner
Attorney - Employee Relations

cc: J.W. Heptinstall
G.L. Suydam

WJB/ch
Enclosure

83040413912

Company or the Union or any of their agents against employees because of membership or nonmembership in the Union.

ARTICLE III

Checkoff

The Company will deduct during the term of this Agreement the regular Union membership monthly dues, and if owed by the employee, an initiation fee, from the wages of each employee who furnishes the Company with a written and signed authorization card.

Monthly dues shall be an amount equal to two (2) hours total earnings during an appropriate reference period. Minimum monthly dues shall be \$5.00.

The Company, for each employee who has signed or shall hereafter sign an authorization card, shall deduct from the first pay check each month the Union dues for the preceding month and promptly remit the same to the International Treasurer, United Steelworkers of America, Five Gateway Center, Pittsburgh, Pennsylvania 15222. The initiation fees due, if any, as designated to the Company by the International Treasurer shall be deducted by the Company and remitted to the International Treasurer of the Union in the same manner as dues collection.

A check list shall accompany the deductions setting forth the name and amount of dues. A copy of said list shall be forwarded to the Local Union Financial Secretary. The Union hereby indemnifies the Company and

agrees to hold it harmless and free from any loss and liability at any time arising by virtue of the making of any deduction in accordance with this Article.

Check off authorization shall be in the following form:

Check-Off Authorization FOR UNITED STEELWORKERS OF AMERICA

Date _____ 19____

Company _____

Plant _____

Pursuant to this authorization and assignment, please deduct from my pay each month, while I am in employment within the collective bargaining unit in the Company, monthly dues, and (if owing by me) an initiation fee each as designated by the International Secretary-Treasurer of the Union, as my membership dues in said Union.

The aforesaid membership dues shall be remitted promptly by you to Frank S. McKee, or his successor, International Treasurer of the United Steelworkers of America, or its successor, Five Gateway Center, Pittsburgh, Pennsylvania 15222.

This assignment and authorization shall be effective and cannot be cancelled for a period of one (1) year from the date appearing above or until the termination date of the current collective bargaining agreement between the Company and the Union, whichever occurs sooner.

I hereby voluntarily authorize you to continue the above authorization and assignment, in effect after the expiration of the shorter of the period, above specified, for further successive periods of one (1) year from such date. I agree that this authorization and assignment shall become effective and cannot be cancelled by me during any of such years, but that I may cancel and revoke by giving to the appropriate management

STATEMENT OF DESIGNATION OF COUNSEL

Re: MUR 1547

NAME OF COUNSEL: *William J. Berlinier*

ADDRESS: *Stauffer Chemical Co.
Nyala Farm Rd.
Westport, CT 06881*

TELEPHONE: *(203) 222-4125*

The above-named individual is hereby designated as my
counsel and is authorized to receive any notifications and other
communications from the Commission and to act on my behalf before
the Commission.

(In-house counsel for Stauffer Chemical Co.)

Date

Signature

NAME:

ADDRESS:

HOME PHONE

BUSINESS PHONE:

8 3 0 4 0 4 1 3 9 1 4



Stauffer Chemical Company

Suite 500/1775 The Exchange/Atlanta, Georgia 30339/Tel. (404) 952-1775

May 10, 1983

Mr. Phillip G. Stanley
President, Local Union 8767
United Steelworkers of America
c/o Stauffer Chemical Company
P.O. Box 32
Bucks, AL 36512

Dear Mr. Stanley:

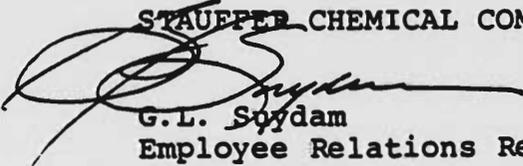
The following information is provided in response to your request for information about the Company's methods of soliciting voluntary contributions or facilitating the making of voluntary contributions.

In December 1981, select salaried employees were solicited to make contributions to the Stauffer Chemical Company Political Contributions Committee. The solicitation was made by mail to such employees' homes. The solicitation offered these employees a choice of a one-time contribution, or of completing an authorization for payroll deductions. Such payroll deductions were remitted to the committee by Stauffer. No solicitation has been made since December 1981. No solicitation other than by mail to eligible employees' homes has ever been made.

Stauffer can make available a payroll deduction program to facilitate contributions to the United Steelworkers of America Political Action Fund by members of Local Union No. 8767, if you wish to implement such a program. Details for implementing a payroll deduction program will have to be discussed in order to establish parameters for determining start-up and maintenance costs. If you wish to proceed with implementation of a payroll deduction program, please let me know.

Yours truly,

STAUFFER CHEMICAL COMPANY


G.L. Soydam
Employee Relations Representative

GLS:db

cc: William H. Schmelling, Asst. Gen. Counsel
United Steelworkers of America
One East Wacker Drive, Suite 1910
Chicago, IL 60601-1980

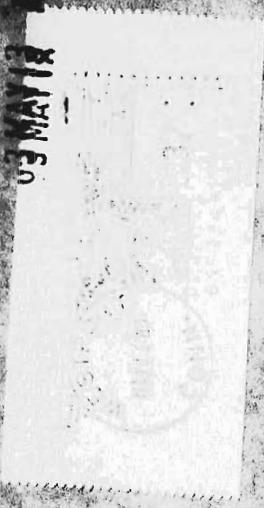
✓W.J. Berliner
J.W. Heptinstall

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STAUFFER CHEMICAL COMPANY
CORPORATE HEADQUARTERS
WESTPORT, CT 06881



STAUFFER CHEMICAL COMPANY

CORPORATE HEADQUARTERS
WESTPORT, CONNECTICUT 06881

Mr. G.A. Finch
Attorney
Federal Election Commission
Washington, D.C. 20463

FIRST CLASS MAIL



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

April 27, 1983

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Office of Legal Affairs
Stauffer Chemical Company
Cold Creek Organic Plant
P.O. Box 32
Bucks, Alabama 36512

Re: MUR 1547

Dear Sir/Madam:

This letter is to notify you that on April 25, 1983, the Federal Election Commission received a complaint which alleges that your company may have violated certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 1547. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate, in writing, that no action should be taken against your company in connection with this matter. Your response must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements should be submitted under oath.

This matter will remain confidential in accordance with 2 U.S.C. § 437g(a)(4)(B) and § 437g(a)(12)(A) unless you notify the Commission in writing that you wish the matter to be made public.

If you intend to be represented by counsel in this matter please advise the Commission by completing the enclosed form stating the name, address and telephone number of such counsel, and a statement authorizing such counsel to receive any notifications and other communications from the Commission.

83040413917



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

April 27, 1983

William H. Schmelling, Esquire
Assistant General Counsel
United Steelworkers of America
One East Wacker Drive
Suite 1910
Chicago, Illinois 60601-1980

Dear Mr. Schmelling:

This letter is to acknowledge receipt of your complaint which we received on April 25, 1983, against the Stauffer Chemical Company which alleges violations of the Federal Election Campaign laws. A staff member has been assigned to analyze your allegations. The respondents will be notified of this complaint within five days.

You will be notified as soon as the Commission takes final action on your complaint. Should you have or receive any additional information in this matter, please forward it to this office. We suggest that this information be sworn to in the same manner as your original complaint. For your information, we have attached a brief description of the Commission's procedure for handling complaints. If you have any questions, please contact Steven Barndollar at (202) 523-4073.

Sincerely,

Charles N. Steele
General Counsel

A handwritten signature in cursive script, appearing to read "Kenneth A. Gross".

By Kenneth A. Gross
Associate General Counsel

Enclosure

83040413919

MUR 1547

Respondent for
Complaint

Office of Legal Affairs
Staller Chemical Company
Cold Creek Organic Plant
Post Office Box 32
Bucks, Alabama 36512

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United Steelworkers of America

AFL-CIO-CLC

ONE EAST WACKER DRIVE
SUITE 1910
CHICAGO, ILLINOIS 60601-1980
(312) 467-1995

April 20, 1983

Charles N. Steele
General Counsel
Federal Election Commission
Washington, D.C. 20463

Re: Stauffer Chemical Company
2 U.S.C. Section 437g(a)(1) Complaint

Dear Mr. Steele:

Pursuant to 2 U.S.C. Section 437g(a)(1) and Section 11.4 of the FEC Regulations, the United Steelworkers of America submits the following complaint against the Stauffer Chemical Company and states, on information and belief, that:

(1) The Stauffer Chemical Company makes available to its stockholders or executive and administrative personnel a payroll deduction program to facilitate the making by such personnel of contributions to the Stauffer Chemical Company Political Contributions Committee;

(2) The United Steelworkers of America, as the exclusive collective bargaining representative of certain non-management production and maintenance employees at the Company's Cold Creek Organic Plant, located in Bucks, Alabama, requested the Company to inform the Union of what methods of soliciting voluntary political contributions or facilitating the making of such contributions are used by the Company or by any other subsidiaries, branches, divisions or affiliates and also requested that such methods be made available to the Union. A copy of a letter dated September 21, 1982, from Phillip G. Stanley, President of the United Steelworkers of America Local Union 8767, making these requests, in writing, is attached as Appendix A;

(3) The Company has failed to respond to that request and has refused and continues to refuse to make available to the Union any payroll deduction plan for facilitating the making of voluntary contributions to the USWA Political Action Fund;

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Charles N. Steele

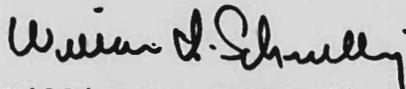
April 20, 1983

(4) Such action by Stauffer Chemical Company is in violation of 2 U.S.C. Section 441b(6) and is contrary to Section 114.5(k) of FEC's Regulations.

The Union requests that an investigation promptly be made of the facts set forth in this complaint and that appropriate action be taken to require Stauffer Chemical Company to make available to the Union a wage deduction program for facilitating the making of voluntary contributions to the USWA PAF.

Attached as Appendix B to this letter is my affidavit verifying the facts set forth herein.

Very truly yours,



William H. Schmelling
Assistant General Counsel

WHS/am
Enclosures

83040413922



LOCAL UNION 8767
United Steelworkers of America
AFL-CIO-CLC



September 21, 1982

Mr. William Ernest, Sr.
Personnel Manager
Stauffer Chemical Company
Cold Creek Organic Plant
Post Office Box 32
Bucks, Alabama 36512

Dear Mr. Ernest:

Local Union 8767, United Steelworkers of America, AFL-CIO-CLC, represents members working for your corporation, Stauffer Chemical Company, Cold Creek Organic Plant. The Federal Election Campaign Act Amendments of 1976 provide that:

"any corporation, including its subsidiaries, branches, divisions, and affiliates, that utilizes a method of soliciting voluntary contributions or facilitating the making of voluntary contributions, shall make available such method, on written request and at a cost sufficient only to reimburse the corporation for the expenses incurred thereby, to a labor organization representing any members working for such corporation, its subsidiaries, branches, divisions and affiliates."

The purpose of this letter is to make the written request which will oblige you to make available to us the methods of soliciting voluntary contributions or facilitating the making of voluntary contributions utilized by the corporation, including its subsidiaries, branches, divisions and affiliates.

More specifically, we hereby request that you state to us the methods of soliciting voluntary contributions or facilitating the making of voluntary contributions presently used by the corporation including its subsidiaries, branches, divisions and affiliates so that we can determine which of these we will also use. This request is made on the understanding that our correlative rights are qualified by the obligation to reimburse the corporation for any expenses incurred thereby. We are, of course, prepared to meet that obligation.

83040413923

September 21, 1982

Page 2

To minimize unnecessary paperwork, this request is intended to be of a continuing nature. Thus, if the corporation, its subsidiaries, branches, divisions and affiliates determine in the future to utilize a method of soliciting voluntary contributions or facilitating the making of voluntary contributions, we would expect to be promptly advised of that action so that we can determine whether to take advantage of any correlative rights.

Enclosed you will find a copy of the PAC Contract Checkoff Clause as well as a copy of the federal statute authorizing the establishment of and contributions to political action funds by labor organizations. I believe that the sections of the Act which will be of primary interest to you are S S 441b (b) (2) (C) and 441b (b) (6).

If you have any questions concerning this request or the information provided, I will be happy to answer them.

Yours very truly,

/s/ Phillip G. Stanley

Phillip G. Stanley
President, Local Union 8767
United Steelworkers of America
AFL-CIO-CLC

enclosures

ps

cc: William Thompson
Roy E. Brockman

83040413924

United Steelworkers of America

AFL-CIO-CLC

ONE EAST WACKER DRIVE
SUITE 1910
CHICAGO, ILLINOIS 60601

PRINTED IN U.S.A.



Charles J. Steele
General Counsel
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

83040413926



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.
WASHINGTON, D.C. 20463

THIS IS THE BEGINNING OF MUR # 1547

Date Filmed 7-26-83 Camera No. --- 2

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