FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THIS IS THE BEGINNING OF MUR # 4242

DATE FILMED 8/23/96 CAMERA NO. 2

CAMERAMAN EES

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U.S. Department of Labor

Office of Labor-Management Standards
1000 Liberty Avenue
Pittsburgh, PA 15222

(412) 644-2925

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RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL

March 10, 1995

Ms. Lois Lerner, Associate General
Counsel for Enforcement
Federal Election Commission
999 E Street, NW
Washington, D.C. 20463

Re: PghDO File 3B-9014(77)

Dear Ms. Lerner:

This letter will confirm a March 8, 1995 telephone conversation between Assistant General Counsel Susan Propper and Investigator Jeff Titley of my staff for the purpose of establishing whether a violation of Federal Election Commission rules and regulations may have occurred because of current practices and/or procedures of the United Steelworkers of America regarding payments to "campaign workers."

The current policy, per the enclosed outline, reflects that a Steelworkers District, which is part of the Steelworkers International Union, will reimburse a local union out of PEC funds (apparently a registered PAC) for payments that the local union has already made to the campaign worker out of general funds.

Please feel free to contact me if you require any further information.

Sincerely,

John S. Pegula

John S. Pegula
District Director

EJT/cas

Enclosure

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LYNN R. WILLIAMS
International President
EDGAR L. BALL
International Secretary-Treasurer
GEORGE BECKER
International Vice-President (Administration)
LEON LYNCH
International Vice-President Human Affairs

United Steelworkers of America
LEGISLATIVE COMMITTEE OF PENNSYLVANIA
GOVERNOR'S PLAZA SOUTH
SUITE 213 - BUILDING #1
2001 N. FRONT STREET
Harrisburg, Pa. 17102-2104
TELEPHONE: 717 - 238-7358
FAX 717 - 238-8732

JOHN H. RECK
DIRECTOR, DISTRICT
State Chairman
ANDREW V. PAL
DIRECTOR, DISTRICT
Vice Chairman
C. JIM DeBORD
Secretary-Treasurer
ANTHONY RAINAL
DIRECTOR, DISTRICT
ERNEST F. SHOC
DIRECTOR, UPHOLSTERY DI

1992 CAMPAIGN WORKERS SALARY AND EXPENSES

1. Each District will pay salary and expenses to the Campaign worker in their District.

2. The Local Union will pay the Campaign worker and then the Districts will reimburse the Locals.

3. The reimbursement will be paid out of the PEC funds.

4. Paid salary- 5 days- 40 hours.
   If lost overtime is involved, the District will pay time and one half when verified by the Local.

5. Mileage - $.28 per mile (Keep record of mileage).

6. Meals- Local - within 50 mile radius - Up to $10 per day with receipt. (Note: If you spend less than $10 you will be reimbursed for the amount of the receipt).

   Outside 50 mile radius- $19 per day with receipts.

7. Overnight Trip - District will pay hotel plus $36 per diem. Return- $29.00

8. District will reimburse Locals for matching funds, such as; FICA, SS taxes, etc. taken out of campaign workers salary. Local Union to show these funds and Districts will reimburse locals for the lost monies.

9. Hospitalization and Insurance- If Company does not pay Insurance (for the ~~3 full months~~, worker will pay and then get reimbursed from the District next 5-6 wks.) - campaign worker must have receipt from Company.

10. All Campaign workers to use yellow voucher as before.

11. Once submitted to the District, check will be made out immediately.

12. Paid weekly or bi-weekly is O.K.

13. If attending PA AFL-CIO meetings on Sunday, expenses only paid not salary. Will be paid for lost time on Sunday, only if scheduled to work. Must have verification from employer.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

April 5, 1995

John S. Pegula
District Director
Department of Labor
Office of Labor-Management Standards
1000 Liberty Avenue
Pittsburgh, PA 15222

Dear Mr. Pegula:

This is in response to your letter dated March 10, 1995, concerning the "current practices and/or procedures of the United Steelworkers of America regarding payments to 'campaign workers'." Although your letter enclosed an outline of the current policy, it did not contain any information indicating that the apparent reimbursement was in connection with a federal election. If you have any additional information indicating that the activity was in connection with a federal election, we ask that you forward it to the Commission. Absent some additional information indicating a possible violation within the Commission's jurisdiction, no action will be taken by the Commission with respect to your letter.

We appreciate your assistance in helping the Commission meet its enforcement responsibilities under the Federal Election Campaign Act of 1971, as amended. If you have any questions, please contact me at (202)219-3690.

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

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U.S. Department of Labor

Office of Labor-Management Standards
801 Federal Building
1000 Liberty Avenue
Pittsburgh, PA 15222

Telephone: 412/644-2925
Facsimile: 412/644-5409

Pre-MUR 319

June 28, 1995

Ms. Maura Callaway
Office of the General Counsel
Federal Election Commission
999 E. Street, NW
Washington, D.C. 20463

JUN 30 3 35 PM '95
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL

Re: PghDO File 3B-9014(77)

Dear Ms. Callaway:

This will confirm your telephone conversation on June 19, 1995 with Investigator Jeff Titley of my staff concerning additional information regarding United Steelworkers of America payments to campaign workers in conjunction with a federal election(s).

Enclosed for your review are:

Report of Interview - Herbert Branon. Branon was a member of Steelworkers Local Union 8025 and worked on the "Wofford" campaign in 1991. Branon was paid by Local 8025 for his time on the Wofford campaign and Local 8025 was in turn reimbursed by the Steelworkers District 20 (now number 10). Steelworkers Districts are considered administrative arms of the International Union.

Local 8025 - Selected Lost Time and Expense Vouchers of Herbert Branon. Vouchers indicate payment to Branon by Local 8025 for time spent on the Wofford campaign. Notations on top of four of the vouchers indicate repayment by District 20.

1991 - LM-2 Report of Local 8025. Unions must file yearly financial reports (LM-2, 3, or 4) with this Agency. Schedule 13 - other receipts - indicates reimbursements to Local 8025 for $5,247.00 from District 20.

We hope this will satisfy your request for additional information to determine if a violation of the Federal Election Commission regulations has occurred.

If you have any questions about these documents, or require additional information, please contact Investigator Jeff Titley at 412/644-2925.

Sincerely,

John S. Pegula

John S. Pegula
District Director

EJT/cas

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 14, 1995

John S. Pegula, District Director
Department of Labor
Office of Labor-Management Standards
1000 Liberty Avenue
Pittsburgh, PA 15222

RE: Pre-MUR 319

Dear Mr. Pegula:

This is to acknowledge receipt of your letter dated June 28, 1995, advising us of a possible violation of the Federal Election Campaign Act of 1971, as amended by the United Steelworkers of America and the Wofford campaign. We will review the matter and will notify you as soon as the Federal Election Commission takes action on your submission.

If you have any questions or additional information, please contact the Central Enforcement Docket at (202) 219-3400. Our file number for this matter is Pre-MUR 319. For your information, we have attached a brief description of the Commission's procedures for handling matters such as this.

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

Enclosure

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RECEIVED
FEDERAL ELECTION
COMMISSION
SECRETARIAT

FEB 26 11 42 AM '96

FEDERAL ELECTION COMMISSION
999 E Street, N.W.
Washington, D.C. 20463

FIRST GENERAL COUNSEL'S REPORT

SENSITIVE

PRE-MUR 319
DATE REFERRAL RECEIVED: July 17, 1995
DATE ACTIVATED: August 31, 1995
STAFF MEMBER: Tracey L. Ligon

SOURCE: INTERNALLY GENERATED

RESPONDENTS: United Steelworkers of America International Union
United Steelworkers of America Local Union 8025
Citizens for Senator Wofford and John D. Sheridan, as treasurer

RELEVANT STATUTES: 2 U.S.C. § 441b

INTERNAL REPORTS CHECKED: Disclosure Reports

FEDERAL AGENCIES CHECKED: None

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I. GENERATION OF MATTER

Pre-Mur 319 was generated by referral from Mr. John S. Pegula, District Director, Office of Labor-Management Standards, U.S. Department of Labor, on July 17, 1995. The referral advises that the United Steelworkers of America may have violated the Act by making payments to campaign workers in conjunction with a federal election.

II. THE LAW

A. The Act and Regulations

The Federal Election Campaign Act of 1971, as amended ("the Act"), makes it unlawful for a labor union to make a contribution or expenditure in connection with the election of a candidate for federal office. 2 U.S.C. § 441b. It defines "contribution" or "expenditure" to

include "any direct or indirect payment, distribution, loan, advance, deposit, or gift of money, or any services, or anything of value ... to any candidate, campaign committee, or political party or organization, in connection with..." any Federal election. 2 U.S.C. § 441b(b)(2). The Act excludes from this definition, however, the "establishment, administration, and solicitation of contributions to a separate segregated fund to be utilized for political purposes by a corporation, labor organization, membership organization, cooperative, or corporation without capital stock." 2 U.S.C. § 441b(b)(2)(C). Except for certain activities such as internal communications and nonpartisan activities, the Act requires that a corporation or labor organization direct and finance its political activities solely through the use of the voluntary contributions in its separate segregated fund and not through the use of general treasury funds. 117 Cong. Rec. 43381 (Remarks of Rep. Hansen). Accordingly, the Commission's regulations provide that a corporation or labor organization may not use the establishment, administration, and solicitation process as a means of exchanging treasury monies for voluntary contributions. 11 C.F.R. 114.5(b).[1]

Also, a candidate, political committee, or other person is prohibited from knowingly accepting or receiving any contribution prohibited by Section 441b. 2 U.S.C. § 441b.

B. Advisory Opinions

In Advisory Opinion 1984-24, the Commission found it impermissible for a political action committee (PAC) to purchase the use of facilities and employees from its sponsoring organization where the organization first provides the facilities or pays the employees and the PAC

[1] We note that the Commission recently approved new regulations to provide corporations and labor organizations further guidance regarding the prohibitions on facilitating the making of contributions. These rules were transmitted to Congress on December 8, 1995. In relevant part, the rules provide that labor organizations are prohibited from facilitating the making of contributions to candidates or political committees, other than to the separate segregated fund of the labor organization. Among examples of facilitating the making of contributions, the rules cite fundraising activities by labor organizations that involve officials or employees of the labor organization ordering or directing subordinates or support staff to plan, organize, or carry out the fundraising project as a part of their work responsibilities using labor organization resources, unless the labor organization receives advance payment for the fair market value of such services. See Section 114.2(f), Prohibitions on Contributions and Expenditures, 60 Fed. Reg. 64274 (December 14, 1995).

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then reimburses the organization. In that opinion, the Commission explained that in its view, the initial disbursement of corporate treasury monies is a loan, advance, or something of value to both the candidate and the corporation's separate segregated fund, and thus falls within the Section 441b prohibition of corporate contributions or expenditures. The Commission further stated that the subsequent reimbursement by the separate segregated fund does not abate the violation.

By contrast, in Advisory Opinion 1984-37, the Commission found that a corporation may permissibly receive payments from its separate segregated fund for the services of its employees to a campaign prior to the rendering of the services and prior to compensating the employees for the services since, in such instance, there is no initial disbursement of corporate treasury funds that constitutes either a loan, advance, or anything of value to either the candidate or the political action committee.

III. FACTUAL AND LEGAL ANALYSIS

The instant referral advises that the United Steelworkers of America may have violated the Act by making payments to campaign workers in conjunction with a federal election. The referral was accompanied by a report of an interview with Mr. Herbert Branon conducted on February 10, 1995, by the U.S. Department of Labor, Office of Labor-Management Standards. The referral was also accompanied by selected "Salary, Lost Time and Expense Voucher[s]" of Mr. Branon, and the United Steelworkers of America Local Union 8025's 1991 Labor Organization Annual Report, Form LM-2. A "1992 Campaign Workers Salary and Expenses" policy outline of United Steelworkers of America was also enclosed with the referral.

The report of the interview with Mr. Branon indicates that Mr. Branon was a member of the United Steelworkers of America Local Union 8025 (hereinafter "Local 8025") from 1973-1994, and that he worked on the campaign of U.S. Senator Harris Wofford (hereinafter "the Wofford campaign") for approximately two months in 1991.[2] The report further reflects that Mr. Branon was paid $14.24 per hour (a rate that compensated Mr. Branon for lost time from work on

[2] During the 1991-92 election cycle, Citizens for Senator Wofford was Senator Wofford's principal campaign committee.

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his two jobs) by Local 8025 for the time he worked on the Wofford campaign. According to the report, Local 8025 was in turn reimbursed by the United Steelworkers of America International Union (hereinafter "International Union"). According to the report, Mr. Branon was, therefore, required to provide the International Union with a copy of his lost time and expense voucher(s) which had already been paid by Local 8025.

The remaining three items that accompanied the instant referral provide documentation for the information elicited during the interview. Specifically, attached to the referral is a document entitled "1992 Campaign Workers Salary and Expenses." The document is a policy outline printed on the letterhead of the United Steelworkers of America, Legislative Committee of Pennsylvania. The outline reflects the policy that Steelworker local unions are to pay the salary and expenses of campaign workers in their district. It further reflects that Steelworker's Districts, which the referrer of this matter indicates are part of the International Union, will then reimburse the local union out of "PEC funds"[3] for payments that the local union has already made to the campaign worker.

Also attached to the referral is a group of five time and expense vouchers of Mr. Branon. The vouchers reflect that Mr. Branon lost time from work during the months of September, October, and November, 1991 for a reason stated as "Wofford Campaign Coordinator" or "Wofford Campaign." The vouchers reflect a total amount of $5,328.16 of gross wages lost and $2,265.27 of expenses claimed due to work on the Wofford campaign. Several of the vouchers contain handwritten notations indicating that reimbursements were received from "Dist. 20," along with the date of receipt.

[3] The precise definition of "PEC funds" is not known for certain at this time. However, this Office believes that PEC probably refers to Political Education Committee. Most unions have political education committees, which are not PACs and are funded with money from the unions' treasury.

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Finally, attached to the referral is Local 8025's 1991 Labor Organization Annual Report, Form LM-2, which reflects receipts by the union including $5,247 designated "Reimbursement from Dist 20."

Based on the foregoing legal and factual information, it appears that the United Steelworkers of America Local Union 8025 violated 2 U.S.C. § 441b by paying Herbert Branon for his work on the Wofford campaign. The facts presented in this matter are closely analogous to the facts presented in Advisory Opinion 1984-24.[4] As in that opinion, this matter involves an initial disbursement of funds from a prohibited source, here, a labor union, to compensate an employee for the time in which the employee rendered political services to Federal candidates. In the Commission's view, the initial disbursement of funds is a loan, advance or something of value to both the candidate and the organization's separate segregated fund, and thus falls within the Section 441b prohibition. Thus, when Local Union 8025 disbursed its treasury funds to pay Mr. Branon for political services rendered to the Wofford campaign, it made a prohibited contribution from a labor organization in violation of the Act. In Advisory Opinion 1984-24, the Commission further stated that a subsequent reimbursement from the organization's separate segregated fund does not cause the violation to abate.[5] Accordingly, we recommend that the Commission find reason to believe that the United Steelworkers of America Local Union 8025 violated 2 U.S.C. § 441b.

Similarly, it appears that the United Steelworkers of America International Steelworkers Union violated 2 U.S.C. § 441b by reimbursing Local 8025 for its payment to Mr. Branon for his work on the Wofford campaign. The record reflects that the International Union reimbursed Local

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[4] We note that unlike the instant matter, Advisory Opinion 1984-24 involved a non-profit corporation rather than a labor organization.

[5] We note that the record does not clearly state the precise source of the reimbursements to Local Union 8025, see discussion, infra. However, we have noted the Commission's view here to make the point that even if Local Union 8025 was reimbursed for its payments to Mr. Branon with funds from its separate segregated fund, the Local Union's violation in making the initial disbursement to Mr. Branon for his work on a federal campaign out of labor union funds would not abate.

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8025 out of "PEC funds." It is unclear at this time to what "PEC funds" actually refers. Even if, however, "PEC funds" refers to funds in the labor organization's separate segregated fund,[6] the International Union's reimbursement to Local 8025 for its payments to Mr. Branon for his work on the campaign is still violative of Section 441b because the reimbursement was not made prior to Mr. Branon's rendering of the services to the campaign and prior to compensating Mr. Branon for such services. See Advisory Opinions 1984-24 and 1984-37. Therefore, we recommend that the Commission find reason to believe that the United Steelworkers of America International Steelworkers Union violated 2 U.S.C. § 441b. We further recommend that the Commission conduct discovery directed towards ascertaining the source of the funds designated "PEC funds."

The record currently contains no information regarding the question of whether the Citizens for Senator Wofford committee and John D. Sheridan, as treasurer, were aware that the committee was accepting the services of an individual that was being paid by a labor organization to work on Senator Wofford's campaign. Inasmuch as this matter arose from a referral, this Office has no response from the Committee. Because the Committee may have been aware of the facts at issue, we recommend that the Commission find reason to believe that the Citizens for Senator Wofford committee and John D. Sheridan, as treasurer, violated 2 U.S.C. § 441b, and conduct discovery directed towards ascertaining the extent of the Wofford campaign committee's knowledge that Mr. Branon was being paid by a labor organization for his work on the Wofford campaign.

IV. INVESTIGATION

Inasmuch as the "1992 Campaign Workers Salary and Expenses" policy outline of the United Steelworkers of America that accompanied the instant referral suggests that the respondents may have regularly paid individuals for working on federal campaigns, this Office recommends that the Commission conduct discovery directed toward ascertaining the extent of the

[6] The name of the registered PAC of the United Steelworkers of America is the United Steelworkers of America Political Action Fund. None of the PAC's 1991 August-October Monthly Reports, or Pre-Special, Post-Special, or Year-End Reports reflects disbursements to the United Steelworkers of America Local Union 8025.

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respondents' Section 441b violations. In addition, as noted above, this Office recommends that the discovery conducted also be directed toward ascertaining whether the Wofford campaign committee was aware that Mr. Branon was being paid by the respondents for his work on the Wofford campaign and toward ascertaining the source of the funds designated "PEC funds."

V. RECOMMENDATIONS

1. Open a MUR.

2. Find reason to believe that the United Steelworkers of America Local Union 8025 violated 2 U.S.C. § 441b.

3. Find reason to believe that the United Steelworkers of America International Union violated 2 U.S.C. § 441b

4. Find reason to believe that the Citizens for Senator Wofford committee and John D. Sheridan, as treasurer, violated 2 U.S.C. § 441b.

5. Approve the attached Factual and Legal Analyses.

6. Approve the issuance of the attached set of interrogatories and document requests.

Lawrence M. Noble
General Counsel

2/23/96
Date

BY: [signature]
Lois G. Lerner
Associate General Counsel

Attachments:
1. Referral Materials
2. Factual and Legal Analyses (3)
3. Interrogatories and Document Requests (4)

26043742636

FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20461

MEMORANDUM

TO: LAWRENCE M. NOBLE
GENERAL COUNSEL

FROM: MARJORIE W. EMMONS/BONNIE J. ROSS
COMMISSION SECRETARY

DATE: FEBRUARY 29, 1996

SUBJECT: Pre-MUR 319 - FIRST GENERAL COUNSEL'S REPORT DATED FEBRUARY 23, 1996.

The above-captioned document was circulated to the Commission on Monday, February 26, 1996 at 4:00 p.m.

Objection(s) have been received from the Commissioner(s) as indicated by the name(s) checked below:

Commissioner Aikens	
Commissioner Elliott	
Commissioner McDonald	XXX
Commissioner McGarry	
Commissioner Potter	
Commissioner Thomas	XXX

This matter will be placed on the meeting agenda for Tuesday, March 5, 1996.

Please notify us who will represent your Division before the Commission on this matter.

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	Pre-MUR 319 MUR4321
United Steelworkers of America	)	
International Union;	)	
United Steelworkers of America	)	
Local Union 8025;	)	
Citizens for Senator Wofford and	)	
John D. Sheridan, as treasurer	)	

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session on March 5, 1996, do hereby certify that the Commission took the following actions with respect to Pre-MUR 319:

1. Failed in a vote of 1-3 to pass a motion to

   a) Open a MUR.

   b) Find reason to believe that the United Steelworkers of America Local Union 8025 violated 2 U.S.C. § 441b.

   c) Find reason to believe that the United Steelworkers of America International Union violated 2 U.S.C. § 441b.

   d) Find reason to believe that the Citizens for Senator Wofford committee and John D. Sheridan, as treasurer, violated 2 U.S.C. § 441b.

(continued)

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e) Approve the Factual and Legal Analyses attached to the General Counsel's February 23, 1996 report.

f) Approve the issuance of the set of interrogatories and document requests attached to the General Counsel's February 23, 1996 report.

Commissioner Aikens voted affirmatively for the motion; Commissioners Elliott, McDonald, and Thomas dissented; Commissioner McGarry was not present.

2. Decided by a vote of 4-0 to

a) Open a MUR.

b) Find reason to believe that the United Steelworkers of America Local 8025 violated 2 U.S.C. § 441b.

c) Find reason to believe that the United Steelworkers International Union violated 2 U.S.C. § 441b.

d) Take no action at this time with respect to the General Counsel's recommendation to find reason to believe that the Citizens for Senator Wofford committee and John D. Sheridan, as treasurer, violated 2 U.S.C. § 441b.

(continued)

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e) Approve the Factual and Legal Analyses for the United Steelworkers of America International Union and the United Steelworkers of America Local Union 8025 as recommended in the General Counsel's February 23, 1996 report.

f) Approve the issuance of interrogatories and document requests to the United Steelworkers of America Local Union 8025, the United Steelworkers of America International Union, and Mr. Herbert Branon as recommended in the General Counsel's February 23, 1996 report.

g) Send appropriate letters.

Commissioners Aikens, Elliott, McDonald, and Thomas voted affirmatively for the decision. Commissioner McGarry was not present.

Attest:

3/6/96
Date

Marjorie W. Emmons
Marjorie W. Emmons
Secretary of the Commission

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

March 8, 1996

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

President
United Steelworkers of America
AFL-CIO-CLL
Local 20-08025
Worthington, PA 16262

RE: MUR 4321

Dear President:

On March 5, 1996, the Federal Election Commission found that there is reason to believe that the United Steelworkers of America, Local 20-08025, violated 2 U.S.C. § 441b, a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

Under the Act, the United Steelworkers of America, Local 20-08025, has an opportunity to demonstrate that no action should be taken against it. You may submit any factual or legal materials that you believe are relevant to the Commission's consideration of this matter. Statements should be submitted under oath. All responses to the enclosed Subpoena to Produce Documents and Order to Submit Written Answers must be submitted within 30 days of your receipt of this subpoena and order. Any additional materials or statements you wish to submit should accompany the response to the subpoena and order.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this subpoena and order. If you intend to be represented by counsel, please advise the Commission by completing the enclosed form stating the name, address, and telephone number of such counsel, and authorizing such counsel to receive any notifications or other communications from the Commission.

In the absence of any additional information which demonstrates that no further action should be taken against the United Steelworkers of America, Local 20-08025, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

Celebrating the Commission's 20th Anniversary
YESTERDAY, TODAY AND TOMORROW
DEDICATED TO KEEPING THE PUBLIC INFORMED

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If you are interested in pursuing pre-probable cause conciliation, you should so request in writing. See 11 C.F.R. § 111.18(d). Upon receipt of the request, the Office of the General Counsel will make recommendations to the Commission either proposing an agreement in settlement of the matter or recommending declining that pre-probable cause conciliation be pursued. The Office of the General Counsel may recommend that pre-probable cause conciliation not be entered into at this time so that it may complete its investigation of the matter. Further, requests for pre-probable cause conciliation will not be entertained after briefs on probable cause have been mailed to the respondent.

Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

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 investigation to be made public.

For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Tracey L. Ligon, the attorney assigned to this matter, at (202) 219-3690.

Sincerely,

Lee Ann Elliott

Lee Ann Elliott
Chairman

Enclosures:
Subpoena and Order
Factual and Legal Analysis
Procedures
Designation Counsel Form

9604374264 2

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	MUR 4321
	)	

SUBPOENA TO PRODUCE DOCUMENTS
ORDER TO SUBMIT WRITTEN ANSWERS

TO: United Steelworkers of America
AFL-CIO-CLL
Local 20-08025
Worthington, PA 16262

Pursuant to 2 U.S.C. § 437d(a)(1) and (3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order and subpoenas you to produce the documents requested on the attachment to this Subpoena. Legible copies which, where applicable, show both sides of the documents may be substituted for originals.

Such answers must be submitted under oath and must be forwarded to the Office of the General Counsel, Federal Election Commission, 999 E Street, N.W., Washington, D.C. 20463, along with the requested documents within 30 days of receipt of this Order and Subpoena.

9604374263

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set her hand in Washington, D.C. on this 29th day of March, 1996.

For the Commission,

Lee Ann Elliott

Lee Ann Elliott
Chairman

ATTEST:

for Delores Hardy

for Marjorie W. Emmons
Secretary to the Commission

Attachments:
Interrogatories
Document Request

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INSTRUCTIONS

In answering these interrogatories and request for production of documents, furnish all documents and other information, however obtained, including hearsay, that is in possession of, known by or otherwise available to you, including documents and information appearing in your records.

Each answer is to be given separately and independently, and unless specifically stated in the particular discovery request, no answer shall be given solely by reference either to another answer or to an exhibit attached to your response.

The response to each interrogatory propounded herein shall set forth separately the identification of each person capable of furnishing testimony concerning the response given, denoting separately those individuals who provided informational, documentary or other input, and those who assisted in drafting the interrogatory response.

If you cannot answer the following interrogatories in full after exercising due diligence to secure the full information to do so, answer to the extent possible and indicate your inability to answer the remainder, stating whatever information or knowledge you have concerning the unanswered portion and detailing what you did in attempting to secure the unknown information.

Should you claim a privilege with respect to any documents, communications, or other items about which information is requested by any of the following interrogatories and requests for production of documents, describe such items in sufficient detail to provide justification for the claim. Each claim of privilege must specify in detail all the grounds on which it rests.

Unless otherwise indicated, the discovery request shall refer to the time period from January 1990 to the present.

The following interrogatories and requests for production of documents are continuing in nature so as to require you to file supplementary responses or amendments during the course of this investigation if you obtain further or different information prior to or during the pendency of this matter. Include in any supplemental answers the date upon which and the manner in which such further or different information came to your attention.

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DEFINITIONS

For the purpose of these discovery requests, including the instructions thereto, the terms listed below are defined as follows:

"You" shall mean the named respondent in this action to whom these discovery requests are addressed, including all officers, employees, agents or attorneys thereof.

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known by you to exist. The term document includes, but is not limited to books, letters, contracts, notes, diaries, log sheets, records of telephone communications, transcripts, vouchers, accounting statements, ledgers, checks, money orders or other commercial paper, telegrams, telexes, pamphlets, circulars, leaflets, reports, memoranda, correspondence, surveys, tabulations, audio and video recordings, drawings, photographs, graphs, charts, diagrams, lists, computer print-outs, and all other writings and other data compilations from which information can be obtained.

"Identify" with respect to a document shall mean state the nature or type of document (e.g., letter, memorandum), the date, if any, appearing thereon, the date on which the document was prepared, the title of the document, the general subject matter of the document, the location of the document, the number of pages comprising the document.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and the telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"And" as well as "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of these interrogatories and request for the production of documents any documents and materials which may otherwise be construed to be out of their scope.

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INTERROGATORIES AND REQUEST FOR DOCUMENTS

1. a). State whether the United Steelworkers of America Local Union 8025 now has or, at any time during the period from 1990 to present, ever had a policy and/or practice of paying the salary and expenses of individuals during periods in which the individuals work on campaigns. If so, describe the policy and/or practice in detail, including whether it requires individuals to provide services to the campaigns first and then receive payments from the labor union, or visa versa.

b). State the source of funds used by the United Steelworkers of America Local Union 8025 to make such payments.

c). State the date on which the policy and/or practice commenced and whether such policy and/or practice still exists. If the policy and/or practice existed but is no longer in effect, state when and why it was terminated.

d). Identify by name and title all of the individuals involved with administering this policy and/or practice.

e). Provide all documents describing or setting forth the policy and/or practice.

2. a). State whether the United Steelworkers of America Local Union 8025 paid a salary and expenses to Mr. Herbert Branon, a member of Local Union 8025, for working on the campaign(s) of Mr. Harris Wofford. If so, identify the individual(s) who have direct and/or indirect knowledge of this occurrence.

b). List the dates on which Mr. Branon provided services to Mr. Harris Wofford's campaign(s) for which Mr. Branon was paid by Local Union 8025.

c). State the amount that was paid to Mr. Branon by Local Union 8025 for his work on the campaign(s) of Mr. Harris Wofford and the date(s) of these payments.

d). State the source of funds used by Local Union 8025 to pay a salary and expenses to Mr. Branon for working on the campaign(s) of Mr. Harris Wofford.

e). State whether Local Union 8025 was reimbursed by the United Steelworkers of America International Union for its payment to Mr. Branon for services that Mr. Branon provided to the campaign of Mr. Harris Wofford. If so, identify the source of funds used by the United Steelworkers of America International Union to reimburse Local Union 8025 for those payments. State the date(s) on which the reimbursements occurred.

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3. a). State whether the United Steelworkers of America International Union now has or, at any time during the period from 1990 to present, ever had a policy and/or practice of paying the salary and expenses of individuals during periods in which the individuals work on federal campaigns. If so, describe the policy and/or practice in detail, including whether it requires individuals to provide services to the campaigns first and then receive payments from the labor union, or visa versa.

b). State the source of funds used by the labor organization to make such payments.

c). State the date on which the policy and/or practice commenced and whether such policy and/or practice still exists. If the policy and/or practice existed but is no longer in effect, state when and why it was terminated.

d). Identify by name and title all of the individuals involved with administering this policy and/or practice.

e). Provide all documents describing or setting forth the policy and/or practice.

4. Identify every individual to whom the United Steelworkers of America Local Union 8025 paid a salary and/or expenses for working on the campaign of Mr. Harris Wofford or for work on any other federal campaign. State the date(s) on which each employee provided such services, the campaign for which each individual worked, the amounts for which each individual was paid, and the date (or approximate date) of payment(s).

5. Produce all documents reflecting payments by the United Steelworkers of America Local Union 8025 to individuals for their work on any federal campaign.

6. Produce all documents reflecting reimbursements by the United Steelworkers of America International Union to Local Union 8025 for its payments of the salary and expenses of individuals that have worked on federal campaigns.

7. Explain the meaning and source of "PEC funds."

8. a). State whether the Citizens for Senator Wofford committee or any agent thereof was aware that the United Steelworkers of America, International Union and/or Local Union 8025, had a policy and/or practice of paying its employees for working for campaigns. If so, describe the basis for your statement. Include the identity of each and every individual associated with the Citizens for Senator Wofford committee that was aware of the policy and/or practice, the circumstances that indicate such awareness, and the date of any occurrence(s) cited.

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b). State whether information regarding the policy and/or practice of the United Steelworkers of America, International Union and/or Local Union 8025, of paying its employees for working for campaigns was communicated to the Citizens for Senator Wofford committee or any agent thereof. If so, identify the individuals who communicated this information and the individuals associated with the committee who received this information. State the date(s) on which the communication(s) occurred.

c). State whether the United Steelworkers of America Local Union 8025 shared the document entitled "1992 Campaign Workers Salary and Expenses" with the Citizens for Senator Wofford committee or any agent thereof? If so, identify the individuals with whom the document was shared and the date(s) on which this occurred.

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FEDERAL ELECTION COMMISSION
FACTUAL & LEGAL ANALYSIS

RESPONDENTS: United Steelworkers of America Local Union 8025 MUR: 4321

This matter was generated in the normal course of the Federal Election Commission's supervisory responsibilities. See 2 U.S.C. § 437g(a)(2).

I. THE LAW

A. The Act and Regulations

The Federal Election Campaign Act of 1971, as amended ("the Act"), makes it unlawful for a labor union to make a contribution or expenditure in connection with the election of a candidate for federal office. 2 U.S.C. § 441b. It defines "contribution" or "expenditure" to include "any direct or indirect payment, distribution, loan, advance, deposit, or gift of money, or any services, or anything of value ... to any candidate, campaign committee, or political party or organization, in connection with..." any Federal election. 2 U.S.C. § 441b(b)(2). The Act excludes from this definition, however, the "establishment, administration, and solicitation of contributions to a separate segregated fund to be utilized for political purposes by a corporation, labor organization, membership organization, cooperative, or corporation without capital stock." 2 U.S.C. § 441b(b)(2)(C). Except for certain activities such as internal communications and nonpartisan activities, the Act requires that a corporation or labor organization direct and finance its political activities solely through the use of the voluntary contributions in its separate segregated fund and not through the use of general treasury funds. 117 Cong. Rec. 43381 (Remarks of Rep. Hansen). Accordingly, the Commission's regulations provide that a corporation or labor organization may not use the establishment,

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administration, and solicitation process as a means of exchanging treasury monies for voluntary contributions. 11 C.F.R. 114.5(b).[1]

Also, a candidate, political committee, or other person is prohibited from knowingly accepting or receiving any contribution prohibited by Section 441b. 2 U.S.C. § 441b.

B. Advisory Opinions

In Advisory Opinion 1984-24, the Commission found it impermissible for a political action committee (PAC) to purchase the use of facilities and employees from its sponsoring organization where the organization first provides the facilities or pays the employees and the PAC then reimburses the organization. In that opinion, the Commission explained that in its view, the initial disbursement of corporate treasury monies is a loan, advance, or something of value to both the candidate and the corporation's separate segregated fund, and thus falls within the Section 441b prohibition of corporate contributions or expenditures. The Commission further stated that the subsequent reimbursement by the separate segregated fund does not abate the violation.

By contrast, in Advisory Opinion 1984-37, the Commission found that a corporation may permissibly receive payments from its separate segregated fund for the services of its employees to a campaign prior to the rendering of the services and prior to

[1] We note that the Commission recently approved new regulations to provide corporations and labor organizations further guidance regarding the prohibitions on facilitating the making of contributions. These rules were transmitted to Congress on December 8, 1995. In relevant part, the rules provide that labor organizations are prohibited from facilitating the making of contributions to candidates or political committees, other than to the separate segregated fund of the labor organization. Among examples of facilitating the making of contributions, the rules cite fundraising activities by labor organizations that involve officials or employees of the labor organization ordering or directing subordinates or support staff to plan, organize, or carry out the fundraising project as a part of their work responsibilities using labor organization resources, unless the labor organization receives advance payment for the fair market value of such services. See Section 114.2(f), Prohibitions on Contributions and Expenditures, 60 Fed. Reg. 64274 (December 14, 1995).

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compensating the employees for the services since, in such instance, there is no initial disbursement of corporate treasury funds that constitutes either a loan, advance, or anything of value to either the candidate or the political action committee.

II. FACTUAL AND LEGAL ANALYSIS

The issue in this case is whether the United Steelworkers of America Local Union 8025 violated 2 U.S.C. § 441b by making payments to campaign workers in conjunction with a federal election.

Information available at this time includes a report of an interview with Mr. Herbert Branon conducted on February 10, 1995, by the U.S. Department of Labor, Office of Labor-Management Standards, selected "Salary, Lost Time and Expense Voucher[s]" of Mr. Branon, and the United Steelworkers of America Local Union 8025's 1991 Labor Organization Annual Report, Form LM-2. The record also contains a "1992 Campaign Workers Salary and Expenses" policy outline of the United Steelworkers of America.

The report of the interview with Mr. Branon indicates that Mr. Branon was a member of the United Steelworkers of America Local Union 8025 (hereinafter "Local 8025") from 1973-1994, and that he worked on the campaign of U.S. Senator Harris Wofford (hereinafter "the Wofford campaign") for approximately two months in 1991.[2] The report further reflects that Mr. Branon was paid $14.24 per hour (a rate that compensated Mr. Branon for lost time from work on his two jobs) by Local 8025 for the time he worked on the Wofford campaign. According to the report, Local 8025 was in turn reimbursed by the United Steelworkers of America International Union (hereinafter "International Union"). According to the report, Mr. Branon was, therefore, required to

[2] During the 1991-92 election cycle, Citizens for Senator Wofford was Senator Wofford's principal campaign committee.

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provide the International Union with a copy of his lost time and expense voucher(s) which had already been paid by Local 8025.

The remaining three items in the record provide documentation for the information elicited during the interview. Specifically, the record contains a document entitled "1992 Campaign Workers Salary and Expenses." The document is a policy outline printed on the letterhead of the United Steelworkers of America, Legislative Committee of Pennsylvania. The outline reflects the policy that Steelworker local unions are to pay the salary and expenses of campaign workers in their district. It further reflects that Steelworker's Districts, which the record indicates are part of the International Union, will then reimburse the local union out of "PEC funds" for payments that the local union has already made to the campaign worker.

Also contained in the record is a group of five time and expense vouchers of Mr. Branon. The vouchers reflect that Mr. Branon lost time from work during the months of September, October, and November, 1991 for a reason stated as "Wofford Campaign Coordinator" or "Wofford Campaign." The vouchers reflect a total amount of $5,328.16 of gross wages lost and $2,265.27 of expenses claimed due to work on the Wofford campaign. Several of the vouchers contain handwritten notations indicating that reimbursements were received from "Dist. 20," along with the date of receipt.

Finally, the record contains Local 8025's 1991 Labor Organization Annual Report, Form LM-2, which reflects receipts by the union including $5,247 designated "Reimbursement from Dist 20."

Based on the foregoing legal and factual information, it appears that the United Steelworkers of America Local Union 8025 violated 2 U.S.C. § 441b by paying Herbert Branon for his work on the Wofford campaign. The facts presented in this matter are closely analogous to the facts presented in Advisory Opinion 1984-24.[3] As in that

[3] We note that unlike the instant matter, Advisory Opinion 1984-24 involved a non-profit corporation rather than a labor organization.

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opinion, this matter involves an initial disbursement of funds from a prohibited source, here, a labor union, to compensate an employee for the time in which the employee rendered political services to Federal candidates. In the Commission's view, the initial disbursement of funds is a loan, advance or something of value to both the candidate and the organization's separate segregated fund, and thus falls within the Section 441b prohibition. Thus, when Local Union 8025 disbursed its treasury funds to pay Mr. Branon for political services rendered to the Wofford campaign, it made a prohibited contribution from a labor organization in violation of the Act. In Advisory Opinion 1984-24, the Commission further stated that a subsequent reimbursement from the organization's separate segregated fund does not cause the violation to abate.[4] Accordingly, there is reason to believe that the United Steelworkers of America Local Union 8025 violated 2 U.S.C. § 441b.

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[4] We note that the record does not clearly state the precise source of the reimbursements to Local Union 8025, see discussion, infra. However, we have noted the Commission's view here to make the point that even if Local Union 8025 was reimbursed for its payments to Mr. Branon with funds from its separate segregated fund, the Local Union's violation in making the initial disbursement to Mr. Branon for his work on a federal campaign out of labor union funds would not abate.

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

March 8, 1996

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

International President
United Steelworkers of America
Governor's Plaza South
Suite 213 - Building #1
2001 N. Front Street
Harrisburg, PA 17102-2104

RE: MUR 4321

Dear International President:

On March 5, 1996, the Federal Election Commission found that there is reason to believe that the United Steelworkers of America violated 2 U.S.C. § 441b, a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

Under the Act, the United Steelworkers of America has an opportunity to demonstrate that no action should be taken against it. You may submit any factual or legal materials that you believe are relevant to the Commission's consideration of this matter. Statements should be submitted under oath. All responses to the enclosed Subpoena to Produce Documents and Order to Submit Written Answers must be submitted within 30 days of your receipt of this subpoena and order. Any additional materials or statements you wish to submit should accompany the response to the subpoena and order.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this subpoena and order. If you intend to be represented by counsel, please advise the Commission by completing the enclosed form stating the name, address, and telephone number of such counsel, and authorizing such counsel to receive any notifications or other communications from the Commission.

In the absence of any additional information which demonstrates that no further action should be taken against the United Steelworkers of America, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

Celebrating the Commission's 20th Anniversary
YESTERDAY TODAY AND TOMORROW
DEDICATED TO KEEPING THE PUBLIC INFORMED

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If you are interested in pursuing pre-probable cause conciliation, you should so request in writing. See 11 C.F.R. § 111.18(d). Upon receipt of the request, the Office of the General Counsel will make recommendations to the Commission either proposing an agreement in settlement of the matter or recommending declining that pre-probable cause conciliation be pursued. The Office of the General Counsel may recommend that pre-probable cause conciliation not be entered into at this time so that it may complete its investigation of the matter. Further, requests for pre-probable cause conciliation will not be entertained after briefs on probable cause have been mailed to the respondent.

Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

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 investigation to be made public.

For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Tracey L. Ligon, the attorney assigned to this matter, at (202) 219-3690.

Sincerely,

Lee Ann Elliott

Lee Ann Elliott
Chairman

Enclosures
Subpoena and Order
Factual and Legal Analysis
Procedures
Designation Counsel Form

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
) MUR 4321
)

SUBPOENA TO PRODUCE DOCUMENTS
ORDER TO SUBMIT WRITTEN ANSWERS

TO: International President
United Steelworkers of America
Governor's Plaza South
Suite 213 - Building #1
2001 N. Front Street
Harrisburg, PA 17102-2104

Pursuant to 2 U.S.C. § 437d(a)(1) and (3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order and subpoenas you to produce the documents requested on the attachment to this Subpoena. Legible copies which, where applicable, show both sides of the documents may be substituted for originals.

Such answers must be submitted under oath and must be forwarded to the Office of the General Counsel, Federal Election Commission, 999 E Street, N.W., Washington, D.C. 20463, along with the requested documents within 30 days of receipt of this Order and Subpoena.

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WHEREFORE, the Chairman of the Federal Election Commission has hereunto set her hand in Washington, D.C. on this 7th day of March, 1996.

For the Commission,

Lee Ann Elliott

Lee Ann Elliott
Chairman

ATTEST:

Delores Hardy
for Marjorie W. Emmons
Secretary to the Commission

Attachments:
Interrogatories
Document Request

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INSTRUCTIONS

In answering these interrogatories and request for production of documents, furnish all documents and other information, however obtained, including hearsay, that is in possession of, known by or otherwise available to you, including documents and information appearing in your records.

Each answer is to be given separately and independently, and unless specifically stated in the particular discovery request, no answer shall be given solely by reference either to another answer or to an exhibit attached to your response.

The response to each interrogatory propounded herein shall set forth separately the identification of each person capable of furnishing testimony concerning the response given, denoting separately those individuals who provided informational, documentary or other input, and those who assisted in drafting the interrogatory response.

If you cannot answer the following interrogatories in full after exercising due diligence to secure the full information to do so, answer to the extent possible and indicate your inability to answer the remainder, stating whatever information or knowledge you have concerning the unanswered portion and detailing what you did in attempting to secure the unknown information.

Should you claim a privilege with respect to any documents, communications, or other items about which information is requested by any of the following interrogatories and requests for production of documents, describe such items in sufficient detail to provide justification for the claim. Each claim of privilege must specify in detail all the grounds on which it rests.

Unless otherwise indicated, the discovery request shall refer to the time period from January 1990 to the present.

The following interrogatories and requests for production of documents are continuing in nature so as to require you to file supplementary responses or amendments during the course of this investigation if you obtain further or different information prior to or during the pendency of this matter. Include in any supplemental answers the date upon which and the manner in which such further or different information came to your attention.

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DEFINITIONS

For the purpose of these discovery requests, including the instructions thereto, the terms listed below are defined as follows:

"You" shall mean the named respondent in this action to whom these discovery requests are addressed, including all officers, employees, agents or attorneys thereof.

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known by you to exist. The term document includes, but is not limited to books, letters, contracts, notes, diaries, log sheets, records of telephone communications, transcripts, vouchers, accounting statements, ledgers, checks, money orders or other commercial paper, telegrams, telexes, pamphlets, circulars, leaflets, reports, memoranda, correspondence, surveys, tabulations, audio and video recordings, drawings, photographs, graphs, charts, diagrams, lists, computer print-outs, and all other writings and other data compilations from which information can be obtained.

"Identify" with respect to a document shall mean state the nature or type of document (e.g., letter, memorandum), the date, if any, appearing thereon, the date on which the document was prepared, the title of the document, the general subject matter of the document, the location of the document, the number of pages comprising the document.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and the telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"And" as well as "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of these interrogatories and request for the production of documents any documents and materials which may otherwise be construed to be out of their scope.

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INTERROGATORIES AND REQUEST FOR DOCUMENTS

1. a). State whether the United Steelworkers of America now has or, at any time during the period from 1990 to present, ever had a policy and/or practice of paying the salary and expenses of individuals during periods in which the individuals work on federal campaigns. If so, describe the policy and/or practice in detail, including whether it requires the individuals to provide services to the campaigns first and then receive payments from the labor organization, or visa versa.

b). State the source of funds used by the labor organization to make such payments.

c). State the date on which the policy and/or practice commenced and whether such policy and/or practice still exists. If the policy and/or practice existed but is no longer in effect, state when and why it was terminated.

d). Identify by name and title all of the individuals involved with administering this policy and/or practice.

e). Provide all documents describing or setting forth the policy and/or practice.

2. a). State whether the United Steelworkers of America International Union reimbursed the United Steelworkers of America Local Union 8025 for its payments of a salary and expenses to Mr. Herbert Branon, a member of Local Union 8025, for working on the campaign(s) of Mr. Harris Wofford. If so, identify the individual(s) who have direct and/or indirect knowledge of this occurrence.

b). List the dates on which Mr. Branon provided services to Mr. Harris Wofford's campaign(s) for which Mr. Branon was paid by Local Union 8025 and reimbursed by the United Steelworkers of America International Union.

c). List the amount that was reimbursed to Local Union 8025 and the date(s) of the reimbursement(s).

d). State the source of funds used to make the reimbursement(s)

3. a). List each and every local chapter that the United Steelworkers of America has reimbursed for its payments of salary and expenses to individuals that have worked on federal campaigns. Also list the amount that was reimbursed and the date(s) of reimbursements

b). Identify the individual(s) who did the work, the date(s) on which the individual(s) worked, and the campaign for which the individual(s) worked.

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4. Produce all documents reflecting reimbursements by the United Steelworkers of America to local chapters for their payments of the salary and expenses of individuals that have worked on federal campaigns.

5. Produce all documents reflecting payments by a local chapter of the United Steelworkers of America to individuals for their work on any campaign for federal office.

6. Explain the meaning and source of "PEC funds."

7. a). State whether the Citizens for Senator Wofford committee or any agent thereof was aware that the United Steelworkers of America, International Union and/or Local Union 8025, had a policy and/or practice of paying its employees for working for campaigns. If so, describe the basis for your statement. Include the identity of each and every individual associated with the Citizens for Senator Wofford committee that was aware of the policy and/or practice, the circumstances that indicate such awareness, and the date of any occurrence(s) cited.

b). State whether information regarding the policy and/or practice of the United Steelworkers of America, International Union and/or Local Union 8025, of paying its employees for working for campaigns was communicated to the Citizens for Senator Wofford committee or any agent thereof. If so, identify the individuals who communicated this information and the individuals associated with the committee who received this information. State the date(s) on which the communication(s) occurred.

c). State whether the United Steelworkers of America shared the document entitled "1992 Campaign Workers Salary and Expenses" with the Citizens for Senator Wofford committee or any agent thereof? If so, identify the individuals with whom the document was shared and the date(s) on which this occurred.

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FEDERAL ELECTION COMMISSION
FACTUAL & LEGAL ANALYSIS

RESPONDENTS: United Steelworkers of America International Union MUR: 4321

This matter was generated in the normal course of the Federal Election Commission's supervisory responsibilities. See 2 U.S.C. § 437g(a)(2).

I. THE LAW

A. The Act and Regulations

The Federal Election Campaign Act of 1971, as amended ("the Act"), makes it unlawful for a labor union to make a contribution or expenditure in connection with the election of a candidate for federal office. 2 U.S.C. § 441b. It defines "contribution" or "expenditure" to include "any direct or indirect payment, distribution, loan, advance, deposit, or gift of money, or any services, or anything of value ... to any candidate, campaign committee, or political party or organization, in connection with..." any Federal election. 2 U.S.C. § 441b(b)(2). The Act excludes from this definition, however, the "establishment, administration, and solicitation of contributions to a separate segregated fund to be utilized for political purposes by a corporation, labor organization, membership organization, cooperative, or corporation without capital stock." 2 U.S.C. § 441b(b)(2)(C). Except for certain activities such as internal communications and nonpartisan activities, the Act requires that a corporation or labor organization direct and finance its political activities solely through the use of the voluntary contributions in its separate segregated fund and not through the use of general treasury funds. 117 Cong. Rec. 43381 (Remarks of Rep. Hansen). Accordingly, the Commission's regulations provide that a corporation or labor organization may not use the establishment,

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administration, and solicitation process as a means of exchanging treasury monies for voluntary contributions. 11 C.F.R. 114.5(b).[1]

Also, a candidate, political committee, or other person is prohibited from knowingly accepting or receiving any contribution prohibited by Section 441b. 2 U.S.C. § 441b.

B. Advisory Opinions

In Advisory Opinion 1984-24, the Commission found it impermissible for a political action committee (PAC) to purchase the use of facilities and employees from its sponsoring organization where the organization first provides the facilities or pays the employees and the PAC then reimburses the organization. In that opinion, the Commission explained that in its view, the initial disbursement of corporate treasury monies is a loan, advance, or something of value to both the candidate and the corporation's separate segregated fund, and thus falls within the Section 441b prohibition of corporate contributions or expenditures. The Commission further stated that the subsequent reimbursement by the separate segregated fund does not abate the violation.

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[1] We note that the Commission recently approved new regulations to provide corporations and labor organizations further guidance regarding the prohibitions on facilitating the making of contributions. These rules were transmitted to Congress on December 8, 1995. In relevant part, the rules provide that labor organizations are prohibited from facilitating the making of contributions to candidates or political committees, other than to the separate segregated fund of the labor organization. Among examples of facilitating the making of contributions, the rules cite fundraising activities by labor organizations that involve officials or employees of the labor organization ordering or directing subordinates or support staff to plan, organize, or carry out the fundraising project as a part of their work responsibilities using labor organization resources, unless the labor organization receives advance payment for the fair market value of such services. See Section 114.2(f), Prohibitions on Contributions and Expenditures, 60 Fed. Reg. 64274 (December 14, 1995).

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compensating the employees for the services since, in such instance, there is no initial disbursement of corporate treasury funds that constitutes either a loan, advance, or anything of value to either the candidate or the political action committee.

II. FACTUAL AND LEGAL ANALYSIS

The issue in this case is whether the United Steelworkers of America International Union violated 2 U.S.C. § 441b by making payments to campaign workers in conjunction with a federal election.

Information available at this time includes a report of an interview with Mr. Herbert Branon conducted on February 10, 1995, by the U.S. Department of Labor, Office of Labor-Management Standards, selected "Salary, Lost Time and Expense Voucher[s]" of Mr. Branon, and the United Steelworkers of America Local Union 8025's 1991 Labor Organization Annual Report, Form LM-2. The record also contains a "1992 Campaign Workers Salary and Expenses" policy outline of the United Steelworkers of America.

The report of the interview with Mr. Branon indicates that Mr. Branon was a member of the United Steelworkers of America Local Union 8025 (hereinafter "Local 8025") from 1973-1994, and that he worked on the campaign of U.S. Senator Harris Wofford (hereinafter "the Wofford campaign") for approximately two months in 1991.[2] The report further reflects that Mr. Branon was paid $14.24 per hour (a rate that compensated Mr. Branon for lost time from work on his two jobs) by Local 8025 for the time he worked on the Wofford campaign. According to the report, Local 8025 was in turn reimbursed by the United Steelworkers of America International Union (hereinafter "International Union"). According to the report, Mr. Branon was, therefore, required to

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provide the International Union with a copy of his lost time and expense voucher(s) which had already been paid by Local 8025.

The remaining three items in the record provide documentation for the information elicited during the interview. Specifically, the record contains a document entitled "1992 Campaign Workers Salary and Expenses." The document is a policy outline printed on the letterhead of the United Steelworkers of America, Legislative Committee of Pennsylvania. The outline reflects the policy that Steelworker local unions are to pay the salary and expenses of campaign workers in their district. It further reflects that Steelworker's Districts, which the record indicates are part of the International Union, will then reimburse the local union out of "PEC funds" for payments that the local union has already made to the campaign worker.

Also contained in the record is a group of five time and expense vouchers of Mr. Branon. The vouchers reflect that Mr. Branon lost time from work during the months of September, October, and November, 1991 for a reason stated as "Wofford Campaign Coordinator" or "Wofford Campaign." The vouchers reflect a total amount of $5,328.16 of gross wages lost and $2,265.27 of expenses claimed due to work on the Wofford campaign. Several of the vouchers contain handwritten notations indicating that reimbursements were received from "Dist. 20," along with the date of receipt.

Finally, the record contains Local 8025's 1991 Labor Organization Annual Report, Form LM-2, which reflects receipts by the union including $5,247 designated "Reimbursement from Dist 20."

Based on the foregoing legal and factual information, it appears that the United Steelworkers of America International Steelworkers Union violated 2 U.S.C. § 441b by reimbursing Local 8025 for its payment to Mr. Branon for his work on the Wofford campaign. The record reflects that the International Union reimbursed Local 8025 out of "PEC funds." Even if, however, "PEC funds" refers to funds in the labor organization's

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separate segregated fund,[3] the International Union's reimbursement to Local 8025 for its payments to Mr. Branon for his work on the campaign is still violative of Section 441b because the reimbursement was not made prior to Mr. Branon's rendering of the services to the campaign and prior to compensating Mr. Branon for such services. See Advisory Opinions 1984-24 and 1984-37. Therefore, there is reason to believe that the United Steelworkers of America International Steelworkers Union violated 2 U.S.C. § 441b.

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[3] The name of the registered PAC of the United Steelworkers of America is the United Steelworkers of America Political Action Fund. None of the PAC's 1991 August-October Monthly Reports, or Pre-Special, Post-Special, or Year-End Reports reflects disbursements to the United Steelworkers of America Local Union 8025.

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

March 8, 1996

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Herbert Branon
322 East Main Street
Worthington, PA 16262

RE: MUR 4321

Dear Mr. Branon:

The Federal Election Commission has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended, and Chapters 95 and 96 of Title 26, United States Code. The Commission has issued the attached subpoena and order which requires you to provide certain information in connection with an investigation it is conducting. The Commission does not consider you a respondent in this matter, but rather a witness only.

Because this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provision of 2 U.S.C. § 437g(a)(12)(A) applies. That section prohibits making public any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made. You are advised that no such consent has been given in this case.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this subpoena and order. However, you are required to submit the information within 30 days of your receipt of this subpoena and order. All answers to questions must be submitted under oath.

If you have any questions, please contact me at (800) 424-9530.

Sincerely,

Tracey L. Ligon
Attorney

Enclosure:
Subpoena and Order

Celebrating the Commission's 25th Anniversary
YESTERDAY, TODAY AND TOMORROW
DEDICATED TO KEEPING THE PUBLIC INFORMED

9604374268

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	MUR 4321
	)	

SUBPOENA TO PRODUCE DOCUMENTS
ORDER TO SUBMIT WRITTEN ANSWERS

TO: Mr. Herbert Branon
322 East Main Street
Worthington, PA 16262

Pursuant to 2 U.S.C. § 437d(a)(1) and (3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order and subpoenas you to produce the documents requested on the attachment to this Subpoena. Legible copies which, where applicable, show both sides of the documents may be substituted for originals.

Such answers must be submitted under oath and must be forwarded to the Office of the General Counsel, Federal Election Commission, 999 E Street, N.W., Washington, D.C. 20463, along with the requested documents within 30 days of receipt of this Order and Subpoena.

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WHEREFORE, the Chairman of the Federal Election Commission has hereunto set her hand in Washington, D.C. on this 7th day of March, 1996.

For the Commission,

Lee Ann Elliott

Lee Ann Elliott
Chairman

ATTEST:

Delores Hardy
for Marjorie W. Emmons
Secretary to the Commission

Attachments
Interrogatories
Document Request

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INSTRUCTIONS

In answering these interrogatories and request for production of documents, furnish all documents and other information, however obtained, including hearsay, that is in possession of, known by or otherwise available to you, including documents and information appearing in your records.

Each answer is to be given separately and independently, and unless specifically stated in the particular discovery request, no answer shall be given solely by reference either to another answer or to an exhibit attached to your response.

The response to each interrogatory propounded herein shall set forth separately the identification of each person capable of furnishing testimony concerning the response given, denoting separately those individuals who provided informational, documentary or other input, and those who assisted in drafting the interrogatory response.

If you cannot answer the following interrogatories in full after exercising due diligence to secure the full information to do so, answer to the extent possible and indicate your inability to answer the remainder, stating whatever information or knowledge you have concerning the unanswered portion and detailing what you did in attempting to secure the unknown information.

Should you claim a privilege with respect to any documents, communications, or other items about which information is requested by any of the following interrogatories and requests for production of documents, describe such items in sufficient detail to provide justification for the claim. Each claim of privilege must specify in detail all the grounds on which it rests.

Unless otherwise indicated, the discovery request shall refer to the time period from January 1990 to present.

The following interrogatories and requests for production of documents are continuing in nature so as to require you to file supplementary responses or amendments during the course of this investigation if you obtain further or different information prior to or during the pendency of this matter. Include in any supplemental answers the date upon which and the manner in which such further or different information came to your attention.

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DEFINITIONS

For the purpose of these discovery requests, including the instructions thereto, the terms listed below are defined as follows:

"You" shall mean the named respondent in this action to whom these discovery requests are addressed, including all officers, employees, agents or attorneys thereof.

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known by you to exist. The term document includes, but is not limited to books, letters, contracts, notes, diaries, log sheets, records of telephone communications, transcripts, vouchers, accounting statements, ledgers, checks, money orders or other commercial paper, telegrams, telexes, pamphlets, circulars, leaflets, reports, memoranda, correspondence, surveys, tabulations, audio and video recordings, drawings, photographs, graphs, charts, diagrams, lists, computer print-outs, and all other writings and other data compilations from which information can be obtained.

"Identify" with respect to a document shall mean state the nature or type of document (e.g., letter, memorandum), the date, if any, appearing thereon, the date on which the document was prepared, the title of the document, the general subject matter of the document, the location of the document, the number of pages comprising the document

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and the telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"And" as well as "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of these interrogatories and request for the production of documents any documents and materials which may otherwise be construed to be out of their scope

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INTERROGATORIES AND REQUEST FOR DOCUMENTS

1. a). State whether the United Steelworkers of America Local Union 8025 made payments to you equal to your salary and/or expenses during periods in which you worked on the campaign of Mr. Harris Wofford or for any other federal campaign. If so, list each and every campaign for federal office to which you provided services and were paid by the labor union and the amounts that you were paid.

b). State the dates or approximate dates on which you provided such services and the dates or approximate dates that such payments were made.

c). State whether you provided services to the federal campaign(s) first and then received payments from the labor union, or visa versa.

2. a). State whether the United Steelworkers of America Local Union 8025 made payments to other individuals equal to their salary and/or expenses during periods in which the individuals worked on federal campaigns. If so, identify each and every individual who received such payments, the amount that they were paid, and the federal campaign to which they provided services.

b). State the dates or approximate dates on which each individual provided such services and the dates or approximate dates that such payments were made.

c). State whether the individuals provided the services to the federal campaign(s) first and then received payments from the labor union, or visa versa.

3. a). If the answer to Question 1a is in the affirmative, state whether the Citizens for Senator Wofford committee or any agent thereof knew that the United Steelworkers of America, International Union and/or Local Union 8025, was paying you for working for Mr. Wofford's campaign. If so, describe the basis for your statement. Include the identity of each and every individual associated with the committee that was aware that the union was paying you for working on Mr. Wofford's campaign, the circumstances that indicate such awareness, and the date of any occurrence(s) cited.

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b). State whether the Citizens for Senator Wofford committee or any agent thereof knew the source of funds used by the United Steelworkers of America, International Union and/or Local Union 8025, in paying you for working for Mr. Wofford's campaign(s). If so, describe what the committee or any agent thereof believed to be the source of such funds and the basis for your statement. Identify each individual associated with the committee that possessed such knowledge and provide the date or approximate date on which such knowledge was acquired.

c). State whether the Citizens for Senator Wofford committee or any agent thereof knew when the union was paying you for your services to the campaign, i.e., whether you were paid by the union before you provided services to the campaign or after you provided services to the campaign. If so, describe what the committee or any agent thereof knew in this regard. Identify each individual associated with the committee that possessed such knowledge and provide the date or approximate date on which such knowledge was acquired.

4. a). State whether the Citizens for Senator Wofford committee or any agent thereof knew that the United Steelworkers of America, International Union and/or Local Union 8025, had a policy and/or practice of paying its employees for working for Mr. Wofford's campaign. If so, describe the basis for your statement. Include the identity of each and every individual associated with the committee that was aware of the policy and/or practice, the circumstances that indicate such awareness, and the date of any occurrence(s) cited.

b). State whether information regarding the policy and/or practice of the United Steelworkers of America, International Union and/or Local Union 8025, of paying its employees for working for campaigns was communicated to the Citizens for Senator Wofford committee or any agent thereof. If so, identify the individuals who communicated this information and the individuals associated with the committee who received this information. State the date(s) on which the communication(s) occurred.

c). State whether the United Steelworkers of America, International Union and/or Local Union 8025, shared the document entitled "1992 Campaign Workers Salary and Expenses" with the Citizens for Senator Wofford committee or any agent thereof. If so, identify the individuals with whom the document was shared and the date(s) on which this occurred.

5. Explain the meaning and source of "PEC funds."

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OFFICE OF GENERAL
COUNSEL

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United Steelworkers of America

AFL-CIO-CLC

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

March 20, 1996

Federal Election Commission
Office of the General Counsel
Attention: Tracey L. Ligon, Attorney
999 E Street, N.W.,
Washington D.C. 20463

VIA U.S. POSTAL SERVICE & TELECOPIER TO: (202) 219-3923

Re: MUR 4321

Dear Ms. Ligon:

Please enter my appearance on behalf of Herbert Branan, who received from you an FEC subpoena to produce documents and an order to submit written answers to FEC questions by April 8, 1996.

This is to request an extension of time of thirty days to May 8, 1996 for Mr. Branan to submit such documents and answers. The period of time covered by the subpoena and order is extensive, from January, 1990 to the present. Previous commitments both on my part and on the part of Mr. Branan would have to be compromised in order to gather information and any documents relating to the subpoena and request for answers and to prepare his responses before April 8, 1996. Your prompt consideration and reply to this request would be greatly appreciated.

The telecopier number for this office is (312) 467-0108.

Very truly yours,

William H. Schmelling

William H. Schmelling
Assistant General Counsel

WHS/gs

cc: Herbert Branan

P.S. Please note the correct spelling of Mr. Branan's last name. His correct address is:
212 East Main Street
P.O. Box 102
Worthington, PA 16262

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STATEMENT OF DESIGNATION OF COUNSEL

MDR 4321

NAME OF COUNSEL: William M. Schmelling

ADDRESS: One East Wacker Drive
Suite 1910
Chicago, IL 60601

TELEPHONE: (312) 467-1995

FAX: (312) 467-0108

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.

3/25/96
Date

Signature

RESPONDENT'S NAME: Herbert W. BRANAN

ADDRESS: 212 E Main St.
PO Box 102
Washington PA 15262

HOME PHONE: (412) 297-3101

BUSINESS PHONE: (412) 297-5442

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

March 26, 1996

VIA FACSIMILE AND U.S. MAIL

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

RE: MUR 4321
Herbert Branan

Dear Mr. Schmelling:

This is in response to your letter dated March 20, 1996, wherein you requested an extension of time of thirty days or until May 8, 1996, to submit responses to the Federal Election Commission's subpoena to produce documents and order to submit written answers on behalf of Mr. Herbert Branan. Please be advised that the Office of the General Counsel has denied the requested extension. However, after considering the circumstances presented in your letter, this Office has extended the response period until the close of business on April 25, 1996.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

Tracey L. Ligon
Attorney

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United Steelworkers of America

AFL-CIO/CLC

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

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COMMISSION
OFFICE OF GENERAL
COUNSEL
Mar 27 3 40 PM '96

March 27, 1996

Federal Election Commission
Office of the General Counsel
Attention: Tracey L. Ligon, Attorney
999 E Street, N.W.,
Washington D.C. 20463

VIA U.S. POSTAL SERVICE & TELECOPIER TO: (202) 219-3923

Re: MUR 4321 - Respondents:
Local Union 20-08025, United Steelworkers of America
and United Steelworkers of America, International Union

Dear Ms. Ligon:

Please enter my appearance on behalf of Respondents United Steelworkers of America, Local Union 20-08025 and the United Steelworkers of America, International Union in this matter. Copies of Statements of Designation of Counsel, which I understand have been transmitted to you by the Respondents, are enclosed. Please note the address corrections for both of these organizations as written on the designation forms. Please send me copies of any and all communications from the FEC to either of those organizations.

I did not receive a copy of the Commission's March 8, 1996 notification to United Steelworkers of America, Local Union 20-08025 until March 22, 1996 and I did not receive a copy of the notification to the USWA International Union, which was not addressed to it at its headquarters offices in Pittsburgh, until March 26, 1996. I am in the process of obtaining the factual matters which both of these labor organizations will submit in response to the FEC's reason to believe finding. To prepare such responses before March 28, 1996 would be nearly impossible. Accordingly, on behalf of USWA Local Union 20-08025 and the International Union of the United Steelworkers of America, I request additional time until April 25, 1996 to submit factual and legal materials in order to demonstrate that no action should be taken by the FEC against either of these labor organizations.

Both the International Union and the USWA Local Union 20-08025 also received subpoenas to produce documents and orders to submit written answers to the FEC. For the same reasons as stated above, I request extensions of time for both labor organizations until April 25, 1996, to respond to the subpoenas to produce documents and orders to submit written answers.

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Your courtesies with respect to this matter are greatly appreciated.

The telecopier number for this office is (312) 467-0198.

Very truly yours,

William H. Schmelling
Assistant General Counsel

WHS/gs

cc: George Becker, President, USWA
Billy H. Hutchingson, Administrator,
USWA Local Union 20-08025
Herbert Branan

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STATEMENT OF DESIGNATION OF COUNSEL

MUR 4321

LEGAL DEPT.
MAR 28 1996
USWA

NAME OF COUNSEL: William H. Schnelling

ADDRESS: One East Wacker Drive
Suite 1910
Chicago, IL 60601

TELEPHONE: (312) 467-1995

FAX: (312) 467-0108

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.

Date

Signature

President

RESPONDENT'S NAME: United Steelworkers of America. International Union

ADDRESS: Five Gateway Center
Pittsburgh, PA 15222

address correction

HOME PHONE:

BUSINESS PHONE: (412) 562-2400

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STATEMENT OF DESIGNATION OF COUNSEL

MUR 4321

NAME OF COUNSEL: William H. Schmelling

ADDRESS: One East Wacker Drive
Suite 1910
Chicago, IL 60601

TELEPHONE: (312) 467-1995

FAX: (312) 467-0108

LEGAL DEPT.
MAR 25 1996
USWA

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.

3-25-96
Date

Billy H. Hutchinson
Signature

RESPONDENT'S NAME: U.S.W.A.
ADDRESS: AFL-CIO-CLC
2 Nth 20-08025
211 Oberlin Dr.
Butler, Pa. 16001

HOME PHONE:

BUSINESS PHONE: 412-282-2489
412-869-3933

address correction

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

March 27, 1996

VIA FACSIMILE AND U.S. MAIL

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

RE: MUR 4321
United Steelworkers of America
International Union
United Steelworkers of America
Local Union 20-08025

Dear Mr. Schmelling:

This is in response to your letter dated March 27, 1996, requesting an extension of time until April 25, 1996, to submit responses to the Federal Election Commission's subpoena to produce documents and order to submit written answers on behalf of the above-referenced respondents and to respond to the Commission's reason to believe findings. Based on the circumstances presented in your letter, this Office has granted the requested extension. Accordingly, responses to the Commission's subpoena and order propounded to the above-referenced respondents, and any additional factual or legal materials that you believe are relevant to the Commission's consideration of this matter, must be received in this Office by the close of business on April 25, 1996.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

Tracey L. Ligon
Attorney

Celebrating the Commission's 20th Anniversary
YESTERDAY, TODAY AND TOMORROW
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OFFICE OF GENERAL
COUNSEL

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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 19, 1996

Federal Election Commission
Office of the General Counsel
Attention: Tracey L. Ligon, Attorney
999 E Street, N.W.
Washington, D.C. 20463

VIA U.S. POSTAL SERVICE & TELECOPIER
TO: (202) 219-3923

26043742683

Re: **MUR 4321** - Local Union 20-08025, United Steelworkers of America and United Steelworkers of America, International Union, Respondents and Herbert Branan

Dear Ms. Ligon:

On behalf of respondents United Steelworkers of America, International Union and United Steelworkers of America Local Union 20-08025, I request seven (7) additional days to submit responses to the Federal Election Commission's subpoena to produce documents and order to submit written answers and to respond to the Commission's reason to believe findings. At present, such responses are due in your office by the close of business on Thursday, April 25, 1996.

I also represent Herbert Branan, who has until April 25, 1996, to respond to the Commission's subpoena to produce documents and to submit written answers to Commission Interrogatories. Mr. Branan and I anticipate that his responses will be submitted to your office on or before April 25, 1996.

However, I am requesting additional time on behalf of the International Union and USWA Local Union 20-08025 because, in part, USWA Local Union 20-08025 has not been an active, functioning local union since January, 1994, following the discontinuation of the business of the employer of the Local Union 20-08025 bargaining unit employees. Few of its former members or officers are actively associated with the USWA. In addition, the events from which this FEC investigation developed occurred in September, October and November, 1991. Some of the members, officers or staff of the USWA who may have information relating to this matter have retired or otherwise are no longer associated with the Union Respondents. Obtaining information from them, therefore, is requiring additional time.

Prompt consideration by your office of this request will be greatly appreciated.

The telecopier number for this office is (312) 467-0108.

Very truly yours,

William H. Schmelling
Assistant General Counsel

WHS/gtj

cc: George Becker, President, USWA
Billy H. Hutchinson, Administrator, USWA Local Union 20-08025
Herbert Branan

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

VIA FACSIMILE AND U.S. MAIL

April 22, 1996

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

RE: MUR 4321
United Steelworkers of America
International Union
United Steelworkers of America
Local Union 20-08025

Dear Mr. Schmelling:

This is in response to your letter dated April 19, 1996, requesting an extension of seven additional days or until May 2, 1996, to submit responses to the Federal Election Commission's subpoena to produce documents and order to submit written answers on behalf of the above-referenced respondents and to respond to the Commission's reason to believe findings. Based on the circumstances presented in your letter, this Office has granted the requested extension. Accordingly, responses to the Commission's subpoena and order propounded to the above-referenced respondents, and any additional factual or legal materials that you believe are relevant to the Commission's consideration of this matter, must be received in this Office by the close of business on May 2, 1996.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

Tracey L. Ligon
Attorney

Celebrating the Commission's 20th Anniversary
YESTERDAY, TODAY AND TOMORROW
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OFFICE OF GENERAL
COUNSEL

MUR 4321

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**RESPONSES BY HERBERT W. BRANAN
TO INTERROGATORIES FROM
THE FEDERAL ELECTION COMMISSION**

Interrogatory 1. a) State whether the United Steelworkers of America Local Union 8025 made payments to you equal to your salary and/or expenses during periods in which you worked on the campaign of Mr. Harris Wofford or for any other federal campaign. If so, list each and every campaign for federal office to which you provided services and were paid by the labor union and the amounts that you were paid.

RESPONSE: I cannot respond to Interrogatory 1a as it is stated because I never worked "on the campaign of Mr. Harris Wofford" during the time covered by these interrogatories from the FEC: January, 1990 to the present.

During September, October and the first week of November, 1991, I took a temporary leave of absence from my regular jobs to work for the United Steelworkers of America ("the USWA"), my labor union. I informed members of the Union and their families about Harris Wofford and his candidacy in 1991 for the office of United States Senator from Pennsylvania. I also discussed his opponent in that election, Richard Thornburg. But I did not "work on the campaign of Mr. Harris Wofford or for any other federal campaign;" nor did I work for or with the Citizens for Senator Wofford committee or any agent of that committee.

My work during September, October and early November, 1991 for the USWA consisted of communicating with and educating the Union's members and their families. To a lesser extent, I also engaged in political education work with members of other AFL-CIO

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affiliated unions. None of that work was carried out or coordinated with "the campaign of Mr. Wofford."

I was reimbursed by USWA Local Union 8025 for wages I lost from my regular jobs and my expenses when I was working during September, October and early November, 1991 in the Union's efforts to educate its members and their families about the U.S. Senate race between Harris Wofford and Richard Thornburg. On four of the five "Salary, Lost Time and Expense Vouchers" submitted by me to USWA Local Union 8025 during that period of time I wrote as my reason for my lost time "the Wofford Campaign." I was referring by that phrase to my political education work among members of the USWA and their families.

Copies of those five vouchers are attached as Exhibits 1-5.

The November 5, 1991 election between Harris Wofford and Richard Thornburg for the U.S. Senate from Pennsylvania is the only federal election in which I engaged in such political education work for the USWA.

Interrogatory 1. b) State the date or approximate dates on which you provided such services and the dates that such payments were made.

RESPONSE: The approximate dates on which I engaged in union member voter education work among members of the USWA, their families and members of other unions affiliated with the AFL-CIO

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prior to the November 5, 1991 election, as indicated on Exhibits 1-5, were from September 2 through November ~~5~~ 6, 1991. From attached Exhibits 1-5, it appears that the dates on which I received reimbursement from USWA Local Union 8025 for that union voter education work were approximately September 17, September 27, October 15, November 6 and November 18, 1991, or within about one week following each of those dates.

Interrogatory 1. c) State whether you provided services to the federal campaign(s) first and then received payments from the labor union, or vice versa.

RESPONSE: I cannot respond to Interrogatory 1c as it is stated because I did not provide services to any federal campaigns. I provided services to the USWA. I was reimbursed by USWA Local Union 8025 for my lost time and expenses on the approximate dates as stated in response Interrogatory 1b after I provided union member voter education services in September, October and early November, 1991.

It is my understanding that subsequently the International Union of the USWA, through its District 20 office, reimbursed USWA Local Union 8025 for the reimbursement payments which were made to me by Local Union 8025 as described in my response to Interrogatory 1b above.

Interrogatory 2. a) State whether the United Steelworkers of America Local Union 8025 made payments to other individuals equal to their salary and/or expenses during periods in which the individuals worked on federal campaigns. If so, identify each and every individual who received such payments, the amount that they were paid, and the federal campaign to which they provided services.

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RESPONSE: The only period of time when I worked in union membership political education efforts among members of the USWA and their families relating to any federal election was during September, October and early November, 1991; and, as described in my responses to Interrogatories 1a, b and c, above, I was reimbursed by USWA Local Union 8025 for my lost time earnings from my regular jobs and for expenses, as shown on attached Exhibits 1-5. To the best of my knowledge, no other individual engaged in such USWA member political education work relating to that or any other federal election and was so reimbursed by USWA Local Union 8025 at that or any other time. This conclusion is based on my experiences as an active member of USWA Local Union 8025 for a number of years including serving as a grievance steward beginning in 1981, holding the offices of Local Union Trustee from 1985 to 1988 and of Financial Secretary from 1988 until May of 1991 when I began serving again as a Trustee of the local union. I also served on Local Union 8025's Legislative Committee from 1988 through 1993.

At the end of 1993, the Moonlight Mushroom Company, which was the employer of USWA Local Union 8025 members and my employer, ceased its operations. USWA Local Union 8025, consequently, was placed under an administratorship by the USWA International Union in January, 1994 and has not functioned as an active local union since that time.

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Interrogatory 2. b) State the dates or approximate dates on which each individual provided such services and the dates or approximate dates that such payments were made.

RESPONSE: The only period of time when I worked in union membership political education efforts among members of the USWA and their families relating to any federal election was during September, October and early November, 1991; and, as described in my responses to Interrogatories 1a, b and c, above, I was reimbursed by USWA Local Union 8025 for my lost time earnings from my regular jobs and for expenses, as shown on attached Exhibits 1-5. To the best of my knowledge, no other individual engaged in such USWA member political education work relating to that or any other federal election and was so reimbursed by USWA Local Union 8025 at that or any other time. This conclusion is based on my experiences as an active member of USWA Local Union 8025 for a number of years including serving as a grievance steward beginning in 1981, holding the offices of Local Union Trustee from 1985 to 1988 and of Financial Secretary from 1988 until May of 1991 when I began serving again as a Trustee of the local union. I also served on Local Union 8025's Legislative Committee from 1988 through 1993.

At the end of 1993, the Moonlight Mushroom Company, which was the employer of USWA Local Union 8025 members and my employer, ceased its operations. USWA Local Union 8025, consequently, was placed under an administratorship by the USWA International Union in January, 1994 and has not functioned as an active local union since that time.

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Interrogatory 2. c) State whether the individual provided the services to the federal campaign(s) first and then received payments from the labor union, or visa versa.

RESPONSE: The only period of time when I worked in union membership political education efforts among members of the USWA and their families relating to any federal election was during September, October and early November, 1991; and, as described in my responses to Interrogatories 1a, b and c, above, I was reimbursed by USWA Local Union 8025 for my lost time earnings from my regular jobs and for expenses, as shown on attached Exhibits 1-5. To the best of my knowledge, no other individual engaged in such USWA member political education work relating to that or any other federal election and was so reimbursed by USWA Local Union 8025 at that or any other time. This conclusion is based on my experiences as an active member of USWA Local Union 8025 for a number of years including serving as a grievance steward beginning in 1981, holding the offices of Local Union Trustee from 1985 to 1988 and of Financial Secretary from 1988 until May of 1991 when I began serving again as a Trustee of the local union. I also served on Local Union 8025's Legislative Committee from 1988 through 1993.

At the end of 1993, the Moonlight Mushroom Company, which was the employer of USWA Local Union 8025 members and my employer, ceased its operations. USWA Local Union 8025, consequently, was placed under an administratorship by the USWA International Union in January, 1994 and has not functioned as an active local union since that time.

Interrogatory 3. a) If the answer to Question 1a is in the affirmative, state whether the Citizens for Senator Wofford committee or any agent thereof knew that the United Steelworkers of America, International Union and/or Local Union 8025, was paying you for working for Mr. Wofford's campaign. If so, describe that basis for your statement. Include the identity of each and every individual associated with the committee that was aware that the union was paying you for working on Mr. Wofford's campaign, the circumstances that indicate such awareness, and the date of any occurrence(s) cited.

RESPONSE: I do not think that my response to FEC Interrogatory 1 a, above, is in the affirmative. Nonetheless, during the months of September, October and early November, 1991 when I was working in USWA member voter education efforts, to the best of my knowledge, I did not work directly with or for any member of the Citizens for Wofford committee nor did I have any direct contact with anyone from that committee. I am unaware of whether the Citizens for Senator Wofford committee or any agent knew of my USWA membership political education work at that time or of the fact that I was reimbursed for my lost wages and expenses by USWA Local Union 8025 for such work or that the USWA International Union reimbursed Local Union 8025 for its reimbursement to me of the wages I lost from my regular jobs and for my expenses involved in that USWA membership voter education work.

Interrogatory 3. b) State whether the Citizens for Senator Wofford committee or any agent thereof knew the source of funds used by the United Steelworkers of America, International Union and/or Local Union 8025, in paying you for working for Mr. Wofford's campaign(s). If so, describe what the committee or any agent thereof believed to be the source of such funds and the basis for your statement. Identify each individual associated with the committee that possessed such knowledge and provide the date or approximate date on which such knowledge was acquired.

RESPONSE: During the months of September, October and early November, 1991 when I was working in USWA member voter education efforts, to the best of my knowledge, I did not work directly

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with or for any member of the Citizens for Wofford committee nor did I have any direct contact with anyone from that committee. I am unaware of whether the Citizens for Senator Wofford committee or any agent knew of my USWA membership political education work at that time or of the fact that I was reimbursed for my lost wages and expenses by USWA Local Union 8025 for such work or that the USWA International Union reimbursed Local Union 8025 for its reimbursement to me of the wages I lost from my regular jobs and for my expenses involved in that USWA membership voter education work.

Interrogatory 3. c) State whether the Citizens for Senator Wofford committee or any agent thereof knew when the union was paying for your services to the campaign, i.e., whether you were paid by the union before you provided services to the campaign or after you provided services to the campaign. If so, describe what the committee or any agent thereof knew in this regard. Identify each individual associated with the committee that possessed such knowledge and provide the date or approximate date on which such knowledge and provide the date or approximate date on which such knowledge was acquired.

RESPONSE: During the months of September, October and early November, 1991 when I was working in USWA member voter education efforts, to the best of my knowledge, I did not work directly with or for any member of the Citizens for Wofford committee nor did I have any direct contact with anyone from that committee. I am unaware of whether the Citizens for Senator Wofford committee or any agent knew of my USWA membership political education work at that time or of the fact that I was reimbursed for my lost wages and expenses by USWA Local Union 8025 for such work or that the USWA International Union reimbursed Local Union 8025 for its reimbursement to me of the wages I lost from my regular jobs and

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for my expenses involved in that USWA membership voter education work.

Interrogatory 4. a) State whether the Citizens for Senator Wofford committee or any agent thereof knew that the United Steelworkers of America, International Union and/or Local Union 8025, had a policy and/or practice of paying its employees for working for Mr. Wofford's campaign. If so, describe that basis for your statement. Include the identity of each and every individual associated with the committee that was aware of the policy and/or practice, the circumstances that indicate such awareness, and the date of any occurrence(s) cited.

RESPONSE: I am not aware of any USWA or Local Union 8025 "policy and/or practice of paying its employees for working for Mr. Wofford's campaign or for the Citizens for Senator Wofford committee." It is my understanding that after USWA Local Union 8025 reimbursed me for wages I lost from my jobs and my expenses when working in USWA member voter education efforts in September, October and early November, 1991, the USWA International Union reimbursed USWA Local Union 8025 for such lost earnings and expenses. To the extent that such reimbursement could be described as a "policy and/or practice" of the USWA, I cannot state whether information regarding that practice was communicated to the Citizens for Wofford committee.

Interrogatory 4. b) State whether information regarding the policy and/or practice of the United Steelworkers of America, International Union and/or Local Union 8025, of paying its employees for working for campaigns was communicated to the Citizens for Senator Wofford committee or any agent thereof. If so, identify the individuals who communicated this information and the individuals associated with the committee who received this information. State the date(s) on which the communication(s) occurred.

RESPONSE: I am not aware of any USWA "policy and/or practice of paying its employees for working for Mr. Wofford's campaign" or

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for the Citizens for Senator Wofford committee." It is my understanding that after USWA Local Union 8025 reimbursed me for wages I lost from my jobs and my expenses when working in USWA member voter education efforts in September, October and early November, 1991, the International Union reimbursed USWA Local Union 8025 for such lost earnings and expenses. To the extent that such reimbursement could be described as a "policy and/or practice" of the USWA, I cannot state whether information regarding that practice was communicated to the Citizens for Wofford committee or any agent of that committee.

Interrogatory 4. c) State whether the United Steelworkers of America, International Union and/or Local Union 8025, shared the document entitled "1992 Campaign Workers Salary and Expenses" with the Citizens for Senator Wofford committee or any agent thereof. If so, identify the individuals with whom the document was shared and the date(s) on which this occurred.

RESPONSE: I do not recall seeing or knowing of any document entitled "1992 Campaign Workers Salary and Expenses." As stated above, I did work in the USWA's member voter education efforts in relation to the November 5, 1991 Special Election for United States Senator from Pennsylvania. The candidates were Harris Wofford and Richard Thornburg. I was not involved in any such work, however, in relation to any other federal election, including any 1992 election. It is not likely that a document entitled "1992 Campaign Workers Salary and Expenses" would relate in any way to the 1991 Special Election for U.S. Senator from Pennsylvania; and I have no knowledge of whether any such

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document was shared with "the Citizens for Senator Wofford committee" or any agent of that committee.

Interrogatory 5.) Explain the meaning and source of "PEC funds."

RESPONSE: "PEC", so far as I understand, refers to "Political Education Committee." In 1991, the part of Central-Western Pennsylvania where my Local Union 8025 was located was referred to by the USWA as its "District 20." I think that the PEC fund from which my local union was reimbursed for my lost wages and expenses which I had when working in USWA member voter education efforts in September, October and early November, 1991, was the USWA District 20 PEC fund. I understand that the source of such District 20 PEC funds represented 1% of the USWA dues paid by all USWA members in its District 20. "Political education", in my opinion, is an appropriate name for the work I did in September, October and early November, 1991. "PEC" is the way the Union educates its members and their families to assist them in making decisions on what candidate would best serve them if elected. That is what I was paid for in reimbursements by my local union, which, in turn, was reimbursed by the international union using such PEC funds.

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I was assisted in drafting my responses to these interrogatories by William Schmelling, Assistant General Counsel, United Steelworkers of America. His address and telephone are: One East Wacker Drive, Suite 1910, Chicago, IL 60601, (312) 467-1995. It is my understanding that Mr. Schmelling is a staff attorney employed by the United Steelworkers of America.

VERIFICATION

Commonwealth of Pennsylvania)
County of Armstrong) SS:
)

HERBERT W. BRANAN, having been duly sworn, on oath states:

I have read the foregoing responses to interrogatories directed to me by the Federal Election Commission; I am familiar with the facts set forth in those responses and those responses are true and accurate to the best of my knowledge and understanding.

Herbert W. Branan

Subscribed and Sworn to before me this day 23 of April, 1996.

Notary Public

Notarial Seal
Candace L. Decock, Notary Public
West Franklin Twp., Armstrong County
My Commission Expires Aug. 6, 1998
Member, Pennsylvania Association of Notaries

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RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

The United Steelworkers of America

AFL-CIO-CLC

MAY 2 2 53 PM '96

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

May 1, 1996

Federal Election Commission
Office of the General Counsel
Attention: Tracey L. Ligon, Attorney
999 E Street, N.W.
Washington, D.C. 20463

VIA UPS OVERNIGHT DELIVERY

26043742698

Re: **MUR 4321** - Respondents:
Local Union 20-08025, United Steelworkers of America and
United Steelworkers of America, International Union

Dear Ms. Ligon:

Enclosed are the Respondents' additional factual and legal materials in response to the reason to believe findings of the Federal Election Commission.

Attached as Appendices A, B and C are copies of sworn written responses by Herbert Branan and by the respondents to the written interrogatories and orders to produce documents from the Commission. The originals of each of those responses have been or are being sent to you directly by Herbert Branan, Leon Lynch and Billy H. Hutchinson.

Please contact me if you do not receive all of those responses to interrogatories and orders to produce or if the Commission requires any additional information from either of the Respondents or from Mr. Branan.

Very truly yours,

William H. Schmelling
Assistant General Counsel

WHS/gtj
Enclosures

PRINTED IN U.S.A.

MUR 4321
May 1, 1996

RESPONDENTS' ADDITIONAL FACTUAL AND LEGAL MATERIALS IN RESPONSE TO THE REASON TO BELIEVE FINDINGS OF THE FEDERAL ELECTION COMMISSION

Respondents, the United Steelworkers of America, International Union ("the International Union") and Local Union 2085, United Steelworkers of America ("Local Union 2085") submit this statement of legal principles and summary of additional factual materials, with attached sworn statements, in response to the Federal Election Commission's March 5, 1996 reason to believe findings and in support of the Respondents' position that the Commission should determine that no further action should be taken in this matter.[1]

I. **THE LAW** The Federal Election Campaign of 1971, as amended ("the Act") and Regulations of the Federal Election Commission ("FEC Regs.")

One of the exceptions to the general prohibition of the Act against a labor organization making contributions or expenditures in connection with the election of a candidate for federal office is for "communications... by a labor organization to its members and their families on any subject;" 2 U.S.C. §441b(b)(2)(A).

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[1] Attached hereto as Appendices A, B and C are copies of sworn written responses which were submitted directly to the Commission by Herbert Branan and by the Respondents to written interrogatories and orders to produce documents from the Commission. Those **Appendices**, **A**: by Herbert Branan, **B**: by Leon Lynch, International Vice President/Human Affairs of the USWA, and **C**: by Billy H. Hutchinson, Administrator of USWA Local Union 8025, are incorporated herein by reference.

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"Communications" as used in §441b(b)(2)(A), includes partisan get-out-the-vote campaigns aimed by a labor organization to its members, employees and their families. Thus, FEC Regulations provide that a labor organization may conduct get-out-the-vote "drives", or campaigns, "aimed at its members and executive and administrative personnel, and their families." Such get-out-the-vote campaigns may include providing transportation of voters to the polls and "may be partisan in that individuals may be urged" by the labor organization "to vote for a particular candidate;" FEC Regs. §114.3(c)(4)[11 C.F.R. 114.3(c)(4)(1-1-94 Edition)][48 FR 50505, Nov. 2, 1983].

"Labor organization", for purposes of 2 U.S.C. §441b, means "any organization...in which employees participate and which exists for the purpose, in whole or in part, of dealing with employers concerning grievances, labor disputes, wages, rates of pay, hours of employment or conditions of work." 2 U.S.C. §441b(b)(1).

II. THE FACTS

At all times pertinent to this matter, 1990 to the present, the USWA International Union and Local Union 8025 have been organizations in which employees participate and which exist for the purpose of dealing with employers concerning grievances, labor disputes, wages, rates of pay, hours of employment or

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conditions of work; See, Exhibit I at 2-5.[2] They are both "labor organizations" within the meaning of the Act.

On November 5, 1991, a Special Election for United States Senator from Pennsylvania was conducted. The candidates were Harris Wofford and Richard Thornburg.

During September, October and the first week of November, 1991, USWA Local Union 8025 member Herbert Branan took a temporary leave of absence from his regular jobs to work for the USWA International Union. His work during that time consisted of communicating with and educating USWA members and their families about Harris Wofford and Richard Thornburg, the candidates in that 1991 Special Election. Mr. Branan did not "work on the campaign of Mr. Harris Wofford or for or any other federal campaign" and he did not work for or in coordination with the Citizens for Senator Wofford committee or any agent of that committee. (**Appendix A** at 1)

Mr. Branan was compensated for that get-out-the-vote, or union membership political education, work by USWA Local Union 8025. On four of the five "Salary, Lost Time And Expense

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[2] Attached hereto is Exhibit I is a true and correct copy of the Constitution of the International Union, United Steelworkers of America. By its terms it also is the constitution of each local union chartered by the International Union (Exhibit I at 2). Respondent USWA Local Union 8025 was chartered by the International Union.

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Vouchers" submitted by Mr. Branan to USWA Local Union 8025 during that period of time, he filled in the space for "Reason for Lost Time" with the words "the Wofford Campaign." (Exs. 1-5, Attached to **Appendix A**) Mr. Branan was referring with those words to his get-out-the-vote campaign aimed at USWA members and their families concerning the November 5, 1991 Special Election between Harris Wofford and Richard Thornburg. (**Appendix A** at 2; **Appendix B** at 3-4 and **Appendix C** at 2-3)

USWA Local Union 8025, after it made payments to Mr. Branan for his expenses and his wages lost while engaged in the USWA's September and October, 1991 GOTV campaign, was reimbursed for those payments by the USWA International Union. Those reimbursements were made by the International Union using union treasury funds in its District 20 PEC account.[3] The separate, segregated voluntary pac fund of the USWA was not used to reimburse USWA Local 8025 for Mr. Branan's union voter education or GOTV work. (**Appendix B** at 4, 7-8; **Appendix C** at 7, 10-11; and **Appendix A** at 3, 4-5)

The GOTV campaign or union member voter education work of Herbert Branan prior to the November 5, 1991 Special Election for

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[3] USWA District 20, in 1991, was a geographical area in western Pennsylvania so designated by the USWA International Union for administrative purposes. (Appendix B at 7-8)

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United States Senator from Pennsylvania was the only instance in which an individual was compensated by USWA Local Union 8025 for such union member voter education, or GOTV, work in relation to any federal election. (**Appendix A** at 6; **Appendix C** at 3)

In January, 1994, the Moonlight Mushroom Company which employed Herbert Branan and the other members of USWA Local Union 8025 shut down. The International Union placed Local Union 8025 under an administratorship. All Local Union 8025 officers were relieved of their duties; USWA International Union employee Billy Hutchinson was appointed the Administrator of Local Union 8025; and all books, records and property of Local Union 8025 were turned over to him as the International Union's Administrator (**Appendix C** at 1; **Appendix A** at 6)

III. ARGUMENT

The Commission's reason to believe findings derive from a false premise in its factual and legal analysis.

Relying on a report of an interview conducted in February, 1995 by a representative of the U.S. Department of Labor, Office of Labor-Management Standards, the FEC's analysis asserts that Herbert Branan "worked on the campaign of U.S. Senator Harris Wofford... for approximately two months in 1991." (FEC Factual and Analysis at 3).

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In contrast, Herbert Branan's responses to the FEC's Interrogatories (Attached **Appendix A**) establish that that assertion is incorrect. Thus, on page 1 of those responses, Mr. Branan states under oath:

> But I did not "work on the campaign of Mr. Harris Wofford or for any other federal campaign;" nor did I work for or with the Citizens for Senator Wofford committee or any agent of that committee. (**Appendix A** at 1)

As described by Mr. Branan, his activities in relation to the 1991 Special Election for U.S. Senator in Pennsylvania amounted to no more than a get-out-the-vote drive aimed at USWA members and their families. Even to the extent that such activities were partisan in that USWA members and their families may have been urged by Mr. Branan to vote for a particular candidate, such communications by a labor organization to its members and their families fall within the exception of 2 U.S.C. §441b(b)(2)(A) and FEC Regulations §314.3(c)(4).

Given that the facts are contrary to the false premise on which the FEC's factual and legal analysis rests, there is no reason to believe that either the International Union or Local Union 8025 violated 2 U.S.C. §441b.

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IV. CONCLUSION

For the foregoing reasons, no further action should be taken and this matter should be closed.

Respectfully submitted,

William H. Schmelling
One East Wacker Drive
Suite 1910
Chicago, IL 60601

(312) 467-1995

Counsel for United Steelworkers of America International Union and Local Union 8025, United Steelworkers of America

May 1, 1996

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MUR 4321

RESPONSES BY HERBERT W. BRANAN
TO INTERROGATORIES FROM
THE FEDERAL ELECTION COMMISSION

Interrogatory 1. a) State whether the United Steelworkers of America Local Union 8025 made payments to you equal to your salary and/or expenses during periods in which you worked on the campaign of Mr. Harris Wofford or for any other federal campaign. If so, list each and every campaign for federal office to which you provided services and were paid by the labor union and the amounts that you were paid.

RESPONSE: I cannot respond to Interrogatory 1a as it is stated because I never worked "on the campaign of Mr. Harris Wofford" during the time covered by these interrogatories from the FEC: January, 1990 to the present.

During September, October and the first week of November, 1991, I took a temporary leave of absence from my regular jobs to work for the United Steelworkers of America ("the USWA"), my labor union. I informed members of the Union and their families about Harris Wofford and his candidacy in 1991 for the office of United States Senator from Pennsylvania. I also discussed his opponent in that election, Richard Thornburg. But I did not "work on the campaign of Mr. Harris Wofford or for any other federal campaign;" nor did I work for or with the Citizens for Senator Wofford committee or any agent of that committee.

My work during September, October and early November, 1991 for the USWA consisted of communicating with and educating the Union's members and their families. To a lesser extent, I also engaged in political education work with members of other AFL-CIO

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APPENDIX A

affiliated unions. None of that work was carried out or coordinated with "the campaign of Mr. Wofford."

I was reimbursed by USWA Local Union 8025 for wages I lost from my regular jobs and my expenses when I was working during September, October and early November, 1991 in the Union's efforts to educate its members and their families about the U.S. Senate race between Harris Wofford and Richard Thornburg. On four of the five "Salary, Lost Time and Expense Vouchers" submitted by me to USWA Local Union 8025 during that period of time I wrote as my reason for my lost time "the Wofford Campaign." I was referring by that phrase to my political education work among members of the USWA and their families.

Copies of those five vouchers are attached as Exhibits 1-5.

The November 5, 1991 election between Harris Wofford and Richard Thornburg for the U.S. Senate from Pennsylvania is the only federal election in which I engaged in such political education work for the USWA.

Interrogatory 1. b) State the date or approximate dates on which you provided such services and the dates that such payments were made.

RESPONSE: The approximate dates on which I engaged in union member voter education work among members of the USWA, their families and members of other unions affiliated with the AFL-CIO

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prior to the November 5, 1991 election, as indicated on Exhibits 1-5, were from September 2 through November 4, 1991. From attached Exhibits 1-5, it appears that the dates on which I received reimbursement from USWA Local Union 8025 for that union voter education work were approximately September 17, September 27, October 15, November 6 and November 18, 1991, or within about one week following each of those dates.

Interrogatory 1. c) State whether you provided services to the federal campaign(s) first and then received payments from the labor union, or vice versa.

RESPONSE: I cannot respond to Interrogatory 1c as it is stated because I did not provide services to any federal campaigns. I provided services to the USWA. I was reimbursed by USWA Local Union 8025 for my lost time and expenses on the approximate dates as stated in response Interrogatory 1b after I provided union member voter education services in September, October and early November, 1991.

It is my understanding that subsequently the International Union of the USWA, through its District 20 office, reimbursed USWA Local Union 8025 for the reimbursement payments which were made to me by Local Union 8025 as described in my response to Interrogatory 1b above.

Interrogatory 2. a) State whether the United Steelworkers of America Local Union 8025 made payments to other individuals equal to their salary and/or expenses during periods in which the individuals worked on federal campaigns. If so, identify each and every individual who received such payments, the amount that they were paid, and the federal campaign to which they provided services.

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RESPONSE: The only period of time when I worked in union membership political education efforts among members of the USWA and their families relating to any federal election was during September, October and early November, 1991; and, as described in my responses to Interrogatories 1a, b and c, above, I was reimbursed by USWA Local Union 8025 for my lost time earnings from my regular jobs and for expenses, as shown on attached Exhibits 1-5. To the best of my knowledge, no other individual engaged in such USWA member political education work relating to that or any other federal election and was so reimbursed by USWA Local Union 8025 at that or any other time. This conclusion is based on my experiences as an active member of USWA Local Union 8025 for a number of years including serving as a grievance steward beginning in 1981, holding the offices of Local Union Trustee from 1985 to 1988 and of Financial Secretary from 1988 until May of 1991 when I began serving again as a Trustee of the local union. I also served on Local Union 8025's Legislative Committee from 1988 through 1993.

At the end of 1993, the Moonlight Mushroom Company, which was the employer of USWA Local Union 8025 members and my employer, ceased its operations. USWA Local Union 8025, consequently, was placed under an administratorship by the USWA International Union in January, 1994 and has not functioned as an active local union since that time.

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Interrogatory 2. b) State the dates or approximate dates on which each individual provided such services and the dates or approximate dates that such payments were made.

RESPONSE: The only period of time when I worked in union membership political education efforts among members of the USWA and their families relating to any federal election was during September, October and early November, 1991; and, as described in my responses to Interrogatories 1a, b and c, above, I was reimbursed by USWA Local Union 8025 for my lost time earnings from my regular jobs and for expenses, as shown on attached Exhibits 1-5. To the best of my knowledge, no other individual engaged in such USWA member political education work relating to that or any other federal election and was so reimbursed by USWA Local Union 8025 at that or any other time. This conclusion is based on my experiences as an active member of USWA Local Union 8025 for a number of years including serving as a grievance steward beginning in 1981, holding the offices of Local Union Trustee from 1985 to 1988 and of Financial Secretary from 1988 until May of 1991 when I began serving again as a Trustee of the local union. I also served on Local Union 8025's Legislative Committee from 1988 through 1993.

At the end of 1993, the Moonlight Mushroom Company, which was the employer of USWA Local Union 8025 members and my employer, ceased its operations. USWA Local Union 8025, consequently, was placed under an administratorship by the USWA International Union in January, 1994 and has not functioned as an active local union since that time.

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Interrogatory 2. c) State whether the individual provided the services to the federal campaign(s) first and then received payments from the labor union, or visa versa.

RESPONSE: The only period of time when I worked in union membership political education efforts among members of the USWA and their families relating to any federal election was during September, October and early November, 1991; and, as described in my responses to Interrogatories 1a, b and c, above, I was reimbursed by USWA Local Union 8025 for my lost time earnings from my regular jobs and for expenses, as shown on attached Exhibits 1-5. To the best of my knowledge, no other individual engaged in such USWA member political education work relating to that or any other federal election and was so reimbursed by USWA Local Union 8025 at that or any other time. This conclusion is based on my experiences as an active member of USWA Local Union 8025 for a number of years including serving as a grievance steward beginning in 1981, holding the offices of Local Union Trustee from 1985 to 1988 and of Financial Secretary from 1988 until May of 1991 when I began serving again as a Trustee of the local union. I also served on Local Union 8025's Legislative Committee from 1988 through 1993.

At the end of 1993, the Moonlight Mushroom Company, which was the employer of USWA Local Union 8025 members and my employer, ceased its operations. USWA Local Union 8025, consequently, was placed under an administratorship by the USWA International Union in January, 1994 and has not functioned as an active local union since that time.

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Interrogatory 3. a) If the answer to Question 1a is in the affirmative, state whether the Citizens for Senator Wofford committee or any agent thereof knew that the United Steelworkers of America, International Union and/or Local Union 8025, was paying you for working for Mr. Wofford's campaign. If so, describe that basis for your statement. Include the identity of each and every individual associated with the committee that was aware that the union was paying you for working on Mr. Wofford's campaign, the circumstances that indicate such awareness, and the date of any occurrence(s) cited.

RESPONSE: I do not think that my response to FEC Interrogatory 1 a, above, is in the affirmative. Nonetheless, during the months of September, October and early November, 1991 when I was working in USWA member voter education efforts, to the best of my knowledge, I did not work directly with or for any member of the Citizens for Wofford committee nor did I have any direct contact with anyone from that committee. I am unaware of whether the Citizens for Senator Wofford committee or any agent knew of my USWA membership political education work at that time or of the fact that I was reimbursed for my lost wages and expenses by USWA Local Union 8025 for such work or that the USWA International Union reimbursed Local Union 8025 for its reimbursement to me of the wages I lost from my regular jobs and for my expenses involved in that USWA membership voter education work.

Interrogatory 3. b) State whether the Citizens for Senator Wofford committee or any agent thereof knew the source of funds used by the United Steelworkers of America, International Union and/or Local Union 8025, in paying you for working for Mr. Wofford's campaign(s). If so, describe what the committee or any agent thereof believed to be the source of such funds and the basis for your statement. Identify each individual associated with the committee that possessed such knowledge and provide the date or approximate date on which such knowledge was acquired.

RESPONSE: During the months of September, October and early November, 1991 when I was working in USWA member voter education efforts, to the best of my knowledge, I did not work directly

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with or for any member of the Citizens for Wofford committee nor did I have any direct contact with anyone from that committee. I am unaware of whether the Citizens for Senator Wofford committee or any agent knew of my USWA membership political education work at that time or of the fact that I was reimbursed for my lost wages and expenses by USWA Local Union 8025 for such work or that the USWA International Union reimbursed Local Union 8025 for its reimbursement to me of the wages I lost from my regular jobs and for my expenses involved in that USWA membership voter education work.

Interrogatory 3. c) State whether the Citizens for Senator Wofford committee or any agent thereof knew when the union was paying for your services to the campaign, i.e., whether you were paid by the union before you provided services to the campaign or after you provided services to the campaign. If so, describe what the committee or any agent thereof knew in this regard. Identify each individual associated with the committee that possessed such knowledge and provide the date or approximate date on which such knowledge and provide the date or approximate date on which such knowledge was acquired.

RESPONSE: During the months of September, October and early November, 1991 when I was working in USWA member voter education efforts, to the best of my knowledge, I did not work directly with or for any member of the Citizens for Wofford committee nor did I have any direct contact with anyone from that committee. I am unaware of whether the Citizens for Senator Wofford committee or any agent knew of my USWA membership political education work at that time or of the fact that I was reimbursed for my lost wages and expenses by USWA Local Union 8025 for such work or that the USWA International Union reimbursed Local Union 8025 for its reimbursement to me of the wages I lost from my regular jobs and

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for my expenses involved in that USWA membership voter education work.

Interrogatory 4. a) State whether the Citizens for Senator Wofford committee or any agent thereof knew that the United Steelworkers of America, International Union and/or Local Union 8025, had a policy and/or practice of paying its employees for working for Mr. Wofford's campaign. If so, describe that basis for your statement. Include the identity of each and every individual associated with the committee that was aware of the policy and/or practice, the circumstances that indicate such awareness, and the date of any occurrence(s) cited.

RESPONSE: I am not aware of any USWA or Local Union 8025 "policy and/or practice of paying its employees for working for Mr. Wofford's campaign or for the Citizens for Senator Wofford committee." It is my understanding that after USWA Local Union 8025 reimbursed me for wages I lost from my jobs and my expenses when working in USWA member voter education efforts in September, October and early November, 1991, the USWA International Union reimbursed USWA Local Union 8025 for such lost earnings and expenses. To the extent that such reimbursement could be described as a "policy and/or practice" of the USWA, I cannot state whether information regarding that practice was communicated to the Citizens for Wofford committee.

Interrogatory 4. b) State whether information regarding the policy and/or practice of the United Steelworkers of America, International Union and/or Local Union 8025, of paying its employees for working for campaigns was communicated to the Citizens for Senator Wofford committee or any agent thereof. If so, identify the individuals who communicated this information and the individuals associated with the committee who received this information. State the date(s) on which the communication(s) occurred.

RESPONSE: I am not aware of any USWA "policy and/or practice of paying its employees for working for Mr. Wofford's campaign" or

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for the Citizens for Senator Wofford committee." It is my understanding that after USWA Local Union 8025 reimbursed me for wages I lost from my jobs and my expenses when working in USWA member voter education efforts in September, October and early November, 1991, the International Union reimbursed USWA Local Union 8025 for such lost earnings and expenses. To the extent that such reimbursement could be described as a "policy and/or practice" of the USWA, I cannot state whether information regarding that practice was communicated to the Citizens for Wofford committee or any agent of that committee.

Interrogatory 4. c) State whether the United Steelworkers of America, International Union and/or Local Union 8025, shared the document entitled "1992 Campaign Workers Salary and Expenses" with the Citizens for Senator Wofford committee or any agent thereof. If so, identify the individuals with whom the document was shared and the date(s) on which this occurred.

RESPONSE: I do not recall seeing or knowing of any document entitled "1992 Campaign Workers Salary and Expenses." As stated above, I did work in the USWA's member voter education efforts in relation to the November 5, 1991 Special Election for United States Senator from Pennsylvania. The candidates were Harris Wofford and Richard Thornburg. I was not involved in any such work, however, in relation to any other federal election, including any 1992 election. It is not likely that a document entitled "1992 Campaign Workers Salary and Expenses" would relate in any way to the 1991 Special Election for U.S. Senator from Pennsylvania; and I have no knowledge of whether any such

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document was shared with "the Citizens for Senator Wofford committee" or any agent of that committee.

Interrogatory 5.) Explain the meaning and source of "PEC funds."

RESPONSE: "PEC", so far as I understand, refers to "Political Education Committee." In 1991, the part of Central-Western Pennsylvania where my Local Union 8025 was located was referred to by the USWA as its "District 20." I think that the PEC fund from which my local union was reimbursed for my lost wages and expenses which I had when working in USWA member voter education efforts in September, October and early November, 1991, was the USWA District 20 PEC fund. I understand that the source of such District 20 PEC funds represented 1% of the USWA dues paid by all USWA members in its District 20. "Political education", in my opinion, is an appropriate name for the work I did in September, October and early November, 1991. "PEC" is the way the Union educates its members and their families to assist them in making decisions on what candidate would best serve them if elected. That is what I was paid for in reimbursements by my local union, which, in turn, was reimbursed by the international union using such PEC funds.

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I was assisted in drafting my responses to these interrogatories by William Schmelling, Assistant General Counsel, United Steelworkers of America. His address and telephone are: One East Wacker Drive, Suite 1910, Chicago, IL 60601, (312) 467-1995. It is my understanding that Mr. Schmelling is a staff attorney employed by the United Steelworkers of America.

VERIFICATION

Commonwealth of Pennsylvania)
County of Armstrong) SS:
)

HERBERT W. BRANAN, having been duly sworn, on oath states:

I have read the foregoing responses to interrogatories directed to me by the Federal Election Commission; I am familiar with the facts set forth in those responses and those responses are true and accurate to the best of my knowledge and understanding.

Herbert W. Branan

Subscribed and Sworn to before me this day 23 of April, 1996.

Notary Public

Notarial Seal
Candace L. Decock, Notary Public
West Franklin Twp., Armstrong County
My Commission Expires Aug. 6, 1998
Member, Pennsylvania Association of Notaries

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MUR 4321
5-1-96

RESPONSES BY THE
INTERNATIONAL UNION, UNITED STEELWORKERS OF AMERICA
TO INTERROGATORIES FROM THE FEDERAL ELECTION COMMISSION

Interrogatory 1. a) State whether the United Steelworkers of America now has or, at any time during the period from 1990 to present, ever had a policy and/or practice of paying the salary and expenses of individuals during periods in which the individuals work on federal campaigns. If so, describe the policy and/or practice in detail, including whether it requires the individuals to provide services to the campaigns first and then receive payments from the labor organization, or visa versa.

RESPONSE: No. The phrase "work on federal campaigns" is understood from the Federal Election Commission's Factual & Legal Analysis in this matter to refer to election advocacy work in which an individual might engage under the direction in coordination with a candidate for federal office or with the campaign committee or committees of such a candidate for federal office and where such work or activities are directed at the general public. The phrase "work on federal campaigns" as used in these FEC Interrogatories is not understood to be limited to labor organization member voter education work which is directed to a labor organization's officers, administrative employees, members and their families and which some times is referred to as get-the-out-the-vote activity or a GOTV campaign.

Interrogatory 1. b) State the source of funds used by the labor organization to make such payments.

APPENDIX B

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RESPONSE: None; please see the Response to Interrogatory 1a, above.

Interrogatory 1. c) State the date on which the policy and/or practice commenced and whether such policy and/or practice still exists. If the policy and/or practice existed but is no longer in effect, state when and why it was terminated.

RESPONSE: None; please see the Response to Interrogatory 1a, above.

Interrogatory 1. d) Identify by name and title all of the individuals involved with administering this policy and/or practice.

RESPONSE: No one; please see the Response to Interrogatory 1a, above.

Interrogatory 1. e) Provide all documents describing or setting forth the policy and/or practice.

RESPONSE: No such document exists or ever existed. Please see the Response to Interrogatory 1a, above.

Interrogatory 2. a) State whether the United Steelworkers of America International Union reimbursed America Local Union 8025 for its payment of a salary and expenses to Mr. Herbert BRANAN, a member of Local Union 8025, for working on the campaign(s) of Mr. Harris Wofford. If so, identify the individual(s) who have direct and/or indirect knowledge of this occurrence.

RESPONSE: NO.

As is stated by Herbert Branan in his responses to Interrogatories from the FEC in this matter, he never was

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"working on the campaign(s) of Mr. Harris Wofford." A copy of Mr. Branan's responses to the FEC's Interrogatories to him are attached as Exhibit B to these responses and are incorporated herein by reference.

Mr. Branan's work for the International Union in September, October and early November, 1991 was not "work on the campaign of Mr. Harris Wofford." Mr. Branan's work for the International Union during that period of time consisted of informing members of the USWA and their families about the November 5, 1991 Special Election for U.S. Senator from Pennsylvania and the candidates: Harris Wofford and Richard Thornburg. Such union member voter education work was not carried out for, under the direction of or in coordination with either of the candidates or their campaign committees or agents; and such work was not directed to the general public.

For that union membership voter education work in September, October and first week of November, 1991, Mr. Branan was reimbursed by USWA Local Union 8025 for the wages he lost during that time from his regular jobs and for his expenses. Subsequently, USWA Local Union 8025 was reimbursed for those payments to Mr. Branan by the USWA International Union.

Interrogatory 2. b) List the dates on which Mr. Branan provided services to Mr. Harris Wofford's campaign(s) for which Mr. Branan was paid by Local Union 8025 and reimbursed by the United Steelworkers of America International Union.

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RESPONSE: Mr. Branan did not provide services to Mr. Harris Wofford's campaign for United States Senator from Pennsylvania in 1991 or at any other time. Please see the Response to Interrogatory 2a, above.

Please see also Mr. Branan's response to FEC Interrogatory 1b, as set forth on pages 2-3 of attached Exhibit B, wherein he states that the approximate dates during which he engaged in union membership voter education work for the International Union were from September 2 through November 6, 1991.

Interrogatory 2. c) List the amount that was reimbursed to Local Union 8025 and the date(s) of the reimbursement(s).

RESPONSE: Please see the Responses to Interrogatories 2a & b, above.

For its payments to Herbert Branan for his wages lost from his regular jobs and his expenses while engaged in union membership voter education work from September 2 through November 6, 1991, USWA Local Union 8025 was reimbursed $7,795.92 between approximately October 8 and December 27, 1991.

Interrogatory 1. d) State the source of funds used to make the reimbursements

RESPONSE: The source of payments made to USWA Local Union 8025 to reimburse it for its payments which were made by the Local Union

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to reimburse Herbert Branan for the wages he lost from his regular jobs and his expenses while engaged in union member voter education work in September, October and early November, 1991 were treasury funds of the USWA, International Union.

Interrogatory 3. a) List each and every local chapter that the United Steelworkers of America has reimbursed for its payments of salary and expenses to individuals that have worked on federal campaigns. Also list the amount that was reimbursed and the date(s) of reimbursements.

RESPONSE: No such list can be compiled because, to the best of my knowledge, the USWA has not reimbursed any local chapter or local union for payments and no USWA local union has made payments of salary and expenses to individuals that have worked on federal campaigns. The response by the International Union to Interrogatory 1a, above, is incorporated herein by reference.

Interrogatory 3. b) Identify the individual(s) who did the work, the date(s) on which the individual(s) worked, and the campaign for which the individual(s) worked.

RESPONSE: No such individual can be identified. Please see the International Union's responses to Interrogatories 3a, 1d and 1a, above, which are incorporated herein by reference.

Interrogatory 4. Produce all documents reflecting reimbursements by the United Steelworkers of America to local chapters for their payments of the salary and expenses of individuals that have worked on federal campaigns.

RESPONSE: No such documents exist or have existed and can not be produced because the USWA has not made payments to so reimburse any local chapter or local union; and no local union of the USWA,

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to the best of my knowledge, has made any payments of salary or expenses to individuals who have worked on federal campaigns. Please see the International Union's response to Interrogatories 1a and 3a, above, which are incorporated herein by reference.

Interrogatory 5. Produce all documents reflecting payments by a local chapter of the United Steelworkers of America to individuals for their work on any campaign for federal office.

RESPONSE: No such documents exist or have existed or could be produced because, to the best of my knowledge, no local chapter or local union of the USWA has made payments to individuals for work on any campaign for federal office. Please see the International Union's response to Interrogatories 1a, 3a and 4, above, which are incorporated herein by reference.

Interrogatory 6. Explain the meaning and source of "PEC funds."

RESPONSE: The term "PEC funds" of the USWA refers to accounts which are maintained at the USWA District level in the United States.

The USWA has designated seven different geographical areas in the United States as USWA Districts. For example, since July 1, 1995, Pennsylvania has been designated as USWA District 10. In 1991, the part of western Pennsylvania in which Mr. Herbert Branan worked as a USWA member was in what then was designated as USWA District 20.

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With respect to each District in the United States, the USWA allocates 1% of the dues received from the members in each such district to be available for "PEC" purposes. "PE" in this context refers to "political education": communications from the USWA to its members and their families on legislative and political issues and candidates. District PEC funds are used to reimburse USWA local unions within each district for payments made by the local unions to reimburse members for their lost wages and expenses while, for example, attending legislative committee meetings or conferences or engaging in membership voter education efforts.

Guidelines for reporting expenses and lost wages of USWA members in Pennsylvania while engaging in union membership voter education efforts - a "GOTV" (Get out the vote) Campaign - in Pennsylvania prior to the 1992 general election were set forth in a document entitled "1992 CAMPAIGN WORKERS SALARY AND EXPENSES." A copy of that document is attached to these responses to FEC Interrogatories as Exhibit C.

In that 1992 general election, Senator Harris Wofford was not a candidate. As stated at page 10 of attached Exhibit B, Herbert Branan worked for the USWA in its membership GOTV campaign, or union membership voter education efforts in September, October and early November, 1991. But Mr. Branan did not work for the USWA in union membership voter education efforts

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in relation to the 1992 general election. The term "PEC funds" is used in attached Exhibit C as I have described it in this response to FEC Interrogatory 6. In attached Exhibit C, "CAMPAIGN WORKERS" was used to refer to USWA members who were working in the Union's voter membership education efforts or "GOTV Campaign" in 1992.

Interrogatory 7. a) State whether the Citizens for Senator Wofford committee or any agent thereof was aware that the United Steelworkers of America, International Union and/or Local Union 8025, had a policy and/or practice of paying its employees for working for campaigns. If so, describe the basis for your statement. Include the identity of each and every individual associated with the Citizens for Senator Wofford committee that was aware of the policy and/or practice, the circumstances that indicate such awareness, and the date of any occurrence(s) cited.

RESPONSE: The USWA International Union did not have a policy and/or practice of paying its employees for working on federal election campaigns aimed at the general public. USWA Local Union 8025 did not have a policy and/or practice of paying its employees for working on federal elections aimed at the general public. Please see the response to Interrogatory 1a, above, which is incorporated herein by reference. There was no such policy and/or practice of which the Citizens for Senator Wofford committee or any agent there of could have been aware.

Interrogatory 7. b) State whether information regarding the policy and/or practice of the United Steelworkers of America, International Union and/or Local Union 8025, of paying its employees for working for campaigns was communicated to the Citizens for Senator Wofford committee or any agent thereof. If so, identify the individuals who communicated this information and the individuals associated with the committee who received this information. State the date(s) on which the communication(s) occurred.

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RESPONSE: No. There was no policy and/or practice of the United Steelworkers of America, International Union or of its Local Union 8025 of paying its employees for working on federal election campaigns aimed at the general public about which information could have been communicated to the Citizens for Senator Wofford committee or any agent thereof. Please see the responses to Interrogatories 1a, 6 and 7a, above, which are incorporated herein by reference.

Interrogatory 7. c) State whether the United Steelworkers of America shared the document entitled "1992 Campaign Workers Salary and Expenses" with the Citizens for Senator Wofford committee or any agent thereof? If so, identify with whom the document was shared and the date(s) on which this occurred.

RESPONSE: No. Please see the response to Interrogatory 6, above.

The document entitled "1992 CAMPAIGN WORKERS SALARY AND EXPENSES", a copy of which is attached to these Interrogatory responses as Exhibit C, was used by the United Steelworkers of America in Pennsylvania in connection with union member voter education or GOTV efforts relating to the November, 1992 general election. Senator Harris Wofford was a candidate for election in the November 5, 1991 election, but not in 1992.

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Information was provided to assist in drafting these responses by Herbert W. Branan, C. James DeBord and Frank Mont.

Mr. Branan's address and telephone number are:
P.O. Box 102
Worthington, PA 16262

(412) 297-3101.

The address and telephone of Mr. DeBord are:
2001 N. Front Street, Bldg. 1, #210
Harrisburg, PA 17102

(717) 238-7359

Mr. DeBord is an employee of the USWA International Union.

The address and telephone number of Mr. Mont are:
2324 Morrow Road
Upper St. Clair, PA 15241

(412) 833-0497

Before his retirement, Mr. Mont was employed by the USWA International Union. His most recent position was Director of the USWA's Dislocated Workers Program.

Assistance was provided in drafting these responses to the foregoing FEC interrogatories by William H. Schmelling. His address and telephone number are:
One East Wacker Drive, Suite 1910
Chicago, IL 60601

(312) 467-1995

Mr. Schmelling is a staff attorney employed by the United Steelworkers of America, International Union.

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VERIFICATION

Commonwealth of Pennsylvania
County of Allegheny SS

I am the International Vice President/Human Affairs of the United Steelworkers of America. I have held this office since 1977.

I have read the foregoing responses to interrogatories directed to the USWA International Union by the Federal Election Commission; I am familiar with the facts set forth in those responses and those responses are true and correct to the best of my information, knowledge and belief.

Leon Lynch
Leon Lynch

Subscribed and Sworn to before me this day 1st of May, 1996

Ruth H. Jurelle
Notary Public

Notarial Seal
Ruth D. Jurelle, Notary Public
Pittsburgh, Allegheny County
My Commission Expires Dec. 7, 1999
Member, Pennsylvania Association of Notaries

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United Steelworkers of America

LEGISLATIVE COMMITTEE OF PENNSYLVANIA
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SUITE 213 - BUILDING #1
2001 N. FRONT STREET
Harrisburg, Pa. 17102-2104

TELEPHONE: 717 - 236-7359
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LYNN R. WILLIAMS
EDGAR L. BALL
GEORGE BECKER
LEON LYNCH

JOHN H. RECK
ANDREW V. PALM
C. JIM DeBORD
ANTHONY RAINALDI
ERNEST R. SHOCK

1992 CAMPAIGN WORKERS SALARY AND EXPENSES

1. Each District will pay salary and expenses to the Campaign worker in their District.

2. The Local Union will pay the Campaign worker and then the Districts will reimburse the Locals.

3. The reimbursement will be paid out of the PEC funds.

4. Paid salary- 5 days- 40 hours.
   If lost overtime is involved, the District will pay time and one half when verified by the Local.

5. Mileage - $.28 per mile (Keep record of mileage).

6. Meals- Local - within 50 mile radius - Up to $10 per day with receipt. (Note: If you spend less than $10 you will be reimbursed for the amount of the receipt).

   Outside 50 mile radius- $19 per day with receipts.

7. Overnight Trip - District will pay hotel plus $36 per diem. Return- $29.00

8. District will reimburse Locals for matching funds, such as; FICA, SS taxes, etc. taken out of campaign workers salary. Local Union to show these funds and Districts will reimburse locals for the lost monies.

9. Hospitalization and Insurance- If Company does not pay Insurance (for the 2 full months), worker will pay and then get reimbursed from the District - campaign worker must have receipt from Company.

10. All Campaign workers to use yellow voucher as before.

11. Once submitted to the District, check will be made out immediately.

12. Paid weekly or bi-weekly is O.K.

13. If attending PA AFL-CIO meetings on Sunday, expenses only paid not salary. Will be paidfor lost time on Sunday, only if scheduled to work. Must have verification from employer.

EXHIBIT
C

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MUR 4321
5-1-96

RESPONSES BY
LOCAL UNION 8025, UNITED STEELWORKERS OF AMERICA
TO INTERROGATORIES FROM
THE FEDERAL ELECTION COMMISSION

Interrogatory 1. a) State whether the United Steelworkers of America Local Union 8025 now has or, at any time during the period from 1990 to present, ever had a policy and/or practice of paying the salary and expenses of individuals during periods in which the individuals work on campaigns. If so, describe the policy and/or practice in detail, including whether it requires individuals to provide services to the campaigns first and then receive payments from the labor union, or visa versa.

RESPONSE: No. As an employee of the United Steelworkers of America ("USWA") International Union, I have served as the USWA Staff Representative assigned to assist Local Union 8025 and to serve as a liaison between the International Union and USWA Local Union 8025 since the early 1970's. Consequently, I am familiar with the policies and practices of USWA Local Union 8025.

The closing by the employer of the facilities where the members of USWA Local Union 8025 were employed in January, 1994, resulted in Local Union 8025 being placed under an administratorship by the USWA International Union. Attached as **Exhibit A** is a copy of a letter dated January 25, 1994, notifying me that all of the officers of Local Union 8025 had been relieved of their duties and that I had been appointed Administrator over the affairs of the local union. All books, records and property of USWA Local Union 8025 were turned over to me and have been placed in temporary storage at the offices of the USWA Displaced Workers Program at 214 East Main Street, Worthington,

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Pennsylvania.

USWA Local Union 8025 does not have and, at any time during the period from 1990 to the present, did not have a policy and/or practice of paying the salary and expenses of individuals in periods during which the individuals worked on federal election campaigns.

In answering this Interrogatory, I understand the FEC to be using the phrase "work on campaigns" as it appears to have been used in the Factual and Legal Analysis which accompanied the FEC's interrogatories and the request for documents to USWA Local Union 8025. The assumption appears to have been made in that Factual and Legal Analysis that for a period of approximately two months in 1991, Mr. Herbert Branan, then a member of USWA Local Union 8025, worked directly for or with the Citizens for Senator Wofford campaign committee and engaged in political activities aimed at the general public. However, he did not.

During September, October and the first week of November, 1991, Herbert Branan took a temporary leave of absence from his regular jobs to engage in USWA member voter education work. Such work consisted of communicating with and educating the USWA members and their families concerning the November 5, 1991 Special Election between Harris Wofford and Richard Thornburg for the office of United States Senator from Pennsylvania. Mr.

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Branan did not engage in such voter education or campaign work directed to the general public. None of that USWA member voter education work was carried out or coordinated with "the campaign of Mr. Wofford."

Mr. Branan was reimbursed by Local Union 8025 for the time he lost from his regular jobs and his expenses while engaged in such union membership voter education work in September, October and the first week of November, 1991.

Attached hereto as **Exhibits 1-5** are copies of five "Salary Lost Time & Expense Vouchers" which were submitted by Herbert Branan to USWA Local Union 8025 for such work in September, October and the first week of November, 1991. I understand from Mr. Branan that in using the term "the Wofford Campaign" as the reason for his lost time on those five vouchers, Mr. Branan was referring to his political education work among members of the USWA and their families.

The November 5, 1991 Special Election between Richard Thornburg and Harris Wofford is the only federal election in which an individual was reimbursed for lost wages or expenses by USWA Local Union 8025 for performing union member voter education work such as that performed by Mr. Branan in September, October and the first week of November, 1991.

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Interrogatory 1. b) State the source of funds used by the United Steelworkers of America Local Union 8025 to make such payments.

RESPONSE: USWA Local Union 8025 made no payments to any individual for work on any federal election campaign. Please see the USWA Local Union 8025's response to Interrogatory 1a, above, which is incorporated herein by reference.

Payments made by USWA Local Union 8025 to reimburse Mr. Branan for the wages he lost from his two regular jobs and his expenses while engaged in union member voter education work during September, October and the first week of November, 1991, were from USWA Local Union 8025 general treasury funds, as reflected in attached **Exhibits 1-5**.

Interrogatory 1. c) State the date on which the policy and/or practice commenced and whether such policy and/or practice still exists. If the policy and/or practice existed but is no longer in effect, state when and why it was terminated.

RESPONSE: As is stated in response to Interrogatory 1a, above, USWA Local Union 8025 never had any policy and/or practice of paying the salary or expenses of individuals during periods in which such individuals worked on federal election campaigns. As is stated in response to Interrogatory 1a, above, during the approximately two months prior to the November 5, 1991 Special Election for United Senator from Pennsylvania, one individual, Herbert Branan, engaged in union membership voter education work concerning that election and was reimbursed for his expenses and the wages he lost while engaged in such work.

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To the best of my knowledge and recollection, having been the International Union Staff Representative assigned to USWA Local Union 8025 since the early 1970's, no other individual ever was reimbursed by USWA Local Union 8025 for such union member voter education work in relation to that or any other federal election.

Interrogatory 1. d) Identify by name and title all of the individuals involved with administering this policy and/or practice.

RESPONSE: As is stated in response to Interrogatories 1a and 1c, above, USWA Local Union 8025 never had a policy and/or practice of paying any individual to work on federal election campaigns aimed at the general public.

Interrogatory 1. e) Provide all documents describing or setting forth the policy and/or practice.

RESPONSE: Please see the response to Interrogatory 1d, above, which is incorporated herein by reference.

Interrogatory 2. a) State whether the United Steelworkers of America Local Union 8025 paid a salary or expenses to Mr. Herbert Branan, a member of Local Union 8025, for working on the campaign(s) of Mr. Harris Wofford. If so, identify the individual(s) who have direct and/or indirect knowledge of this occurrence.

RESPONSE: No. Please see the responses to Interrogatory 1a & 1b, above, which are incorporated herein by reference.

As stated therein, during September, October and the first week of November, 1991, Herbert Branan took a temporary leave of

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absence from his regular jobs to engage in USWA member voter education work. Such work consisted of communicating with and educating USWA members and their families concerning the November 5, 1991 Special Election for United States Senator from Pennsylvania. The candidates in that Special Election were Harris Wofford and Richard Thornburg. Mr. Branan did not coordinate or take direction for such work from either of those candidates or their campaign committees. None of that union member voter education work by Mr. Branan was directed to the general public.

Interrogatory 2. b) List the dates on which Mr. Branan provided services to Mr. Harris Wofford's campaign(s) for which Mr. Branan was paid by Local Union 8025.

RESPONSE: Please see the response to Interrogatory to 2a, above, which is incorporated herein by reference.

Interrogatory 2. c) State the amount that was paid to Mr. Branan by Local Union 8025 for his work on the campaign(s) of Mr. Harris Wofford and the date(s) of these payments.

RESPONSE: Mr. Branan did not "work on the campaign(s) of Mr. Harris Wofford" at any time. Please see USWA Local Union 8025's responses to Interrogatories 2a & 2b, above, which are incorporated herein by reference.

Interrogatory 2. d) State the source of funds used by Local Union 8025 to pay a salary and expenses to Mr. Branan for working on the campaign(s) of Mr. Harris Wofford.

RESPONSE: Mr. Branan did not work "on the campaign(s) of Mr.

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Harris Wofford." Please see USWA Local Union 8025's responses to Interrogatories 1b and 2a, b & c, above, which are incorporated herein by reference.

Interrogatory 2. e) State whether Local Union 8025 was reimbursed by the United Steelworkers of America International Union for its payment to Mr. Branan for services that Mr. Branan provided to the campaign of Mr. Harris Wofford. If so, identify the source of funds used by the United Steelworkers of America International Union to reimburse Local Union 8025 for those payments. State the date(s) on which the reimbursements occurred.

RESPONSE: Mr. Branan did not provide services "to the campaign of Mr. Harris Wofford." Please see USWA Local Union 8025's responses to Interrogatories 1a & b and 2a, b, c & d, above, which are incorporated herein by reference.

For USWA Local Union 8025's payments to Herbert Branan for the wages he lost from his regular jobs and his expenses while engaged in union membership voter education work in September, October and early November, 1991, USWA Local Union 8025 was reimbursed $7,795.92 between approximately October 8 and December 27th, 1991. The source of the payments made to USWA Local Union 8025 from the International Union to reimburse Local Union 8025 for the payments it made to reimburse Herbert Branan for the wages he lost from his regular jobs and his expenses while engaged in union membership voter education work in September, October and early November, 1991, were treasury funds of the USWA, International Union.

Interrogatory 3. a) State whether the United Steelworkers of America

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International Union now has or, at any time during the period from 1990 to present, ever had a policy and/or practice of paying the salary and expenses of individuals during periods in which the individuals work on federal campaigns. If so, describe the policy and/or practice in detail, including whether it requires individuals to provide services to the campaigns first and then receive payments from the labor union, or visa versa.

RESPONSE: No. The phrase "work on federal campaigns" is understood from the Federal Election Commission's Factual & Legal Analysis in this matter to refer to election advocacy work in which an individual might engage under the direction or in coordination with a candidate for federal office or with the campaign committee or committees of such a candidate for federal office and where such work or activities are directed at the general public. Please see the USWA Local Union 8025's responses to Interrogatories 1a and 2a, above, which are incorporated herein by reference.

Interrogatory 3. b) State the source of funds used by the labor organization to make such payments.

RESPONSE: No such payments were made. Please see the USWA Local Union 8025's responses to Interrogatories 1a, 2a and 3a, above, which are incorporated herein by reference.

Interrogatory 3. c) State the date on which the policy and/or practice commenced and whether such policy and/or practice still exists. If the policy and/or practice existed but is no longer in effect, state when and why it was terminated.

RESPONSE: No such policy and/or practice ever commenced or existed. Please see the response to Interrogatory 3a, above, which is incorporated herein by reference.

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Interrogatory 3. d) Identify by name and title all of the individuals involved with administering this policy and/or practice.

RESPONSE: No such policy and/or practice ever existed or was administered. Please see the response to Interrogatory 3a, above, which is incorporated herein by reference.

Interrogatory 3. e) Provide all documents describing or setting forth the policy and/or practice.

RESPONSE: No such policy and/or practice ever existed. Please see USWA Local Union 8025's response to Interrogatory 3a, above, which is incorporated herein by reference.

Interrogatory 4. Identify every individual to whom the United Steelworkers of America Local Union 8025 paid a salary and/or expenses for working on the campaign of Mr. Harris Wofford or for work on any other federal campaign. State the date(s) on which each employee provided such services, the campaign for which each individual worked, the amounts for which each individual was paid, and the date (or approximate date) of payment(s).

RESPONSE: USWA Local Union 8025 paid no individual a salary and/or expenses for "working on the campaign of Mr. Harris Wofford or for work on any other campaign." Please see USWA Local Union 8025's responses to Interrogatories 1a, 2a and 3a, above, which are incorporated herein by reference.

Interrogatory 5. Produce all documents reflecting payments by the United Steelworkers of America Local Union 8025 to individuals for their work on any federal campaign.

RESPONSE: No such documents exist because USWA Local Union 8025 made no payments to any individual for her or his "work on any

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federal campaign." Please see USWA Local Union 8025's responses to Interrogatories 1a, 2a, 3a and 4, above, which are incorporated herein by reference.

Interrogatory 6. Produce all documents reflecting reimbursements by the United Steelworkers of America International Union to Local Union 8025 for its payments of the salary and expenses of individuals that have worked on federal campaigns.

RESPONSE: No documents reflecting reimbursements by the USWA International Union to Local Union 8025 exist or ever existed because USWA Local Union 8025 made no payments of such salary and expenses for any individual's work on any federal campaign. Please see USWA Local Union 8025's responses to Interrogatories 1a, 2a, 3a, 4, and 5, above, which are incorporated herein by reference.

Interrogatory 7. Explain the meaning and source of "PEC funds."

RESPONSE: The term "PEC funds" of the USWA refers to accounts which are maintained at the USWA District level in the United States.

Since July 1, 1995, Pennsylvania has been designated by the USWA as its District 10. In 1991, the part of western Pennsylvania in which Mr. Branan worked as a USWA member and in which I worked as an employee of the International Union was in what then was designated as USWA District 20.

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It is my understanding that with respect to each District in the United States, the USWA allocates 1% of the dues received from the members in each such district to be available for "PEC" purposes. "PE" refers to political education and the "C" could refer to committee. However, in my experience in District 20 in 1991 and before then, no "committee" actually functioned as such and "PEC funds" referred to an International Union account.

"Political education" expenses which were paid through that account included payments made to reimburse local unions for members' wages and expenses lost while, for example, attending legislative committee meetings or conferences.

In September, October and the first week of November, 1991, USWA Local 8025 member Herbert Branan engaged in union member voter education work relating to the Special Election which was held on November 5, 1991 for United States Senator from Pennsylvania. For that union member voter education work, or his work in that get out the vote ("GOTV") campaign, Mr. Branan was reimbursed by USWA Local Union 8025 for his lost wages and expenses. It is my understanding that, subsequently, the USWA District 20 PEC fund was used to reimburse Local Union 8025 for its reimbursements to Mr. Branan for that GOTV work in 1991.

Interrogatory 8. a) State whether the Citizens for Senator Wofford committee or any agent thereof was aware that the United Steelworkers of America, International Union and/or Local Union 8025, had a policy and/or practice of paying its employees for working for campaigns. If so, describe the basis for your statement. Include the identity of each and every individual associated

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with the Citizens for Senator Wofford committee that was aware of the policy and/or practice, the circumstances that indicate such awareness, and the date of any occurrence(s) cited.

RESPONSE: No, not to my knowledge. Please see the responses of USWA Local Union 8025 to Interrogatory 1a, above, which is incorporated herein by reference.

The USWA International Union does not have and USWA Local Union 8025 does not have and they never had a "policy and/or practice of paying its employees for working for [federal election] campaigns."

Interrogatory 8. b) State whether the information regarding the policy and/or practice of the United Steelworkers of America, International Union and/or Local Union 8025, of paying its employees for working for campaigns was communicated to the Citizens for Senator Wofford committee or any agent thereof. If so, identify the individuals who communicated this information and the individuals associated with the committee who received this information. State the date(s) on which the communication(s) occurred.

RESPONSE: No, not to my knowledge. The USWA International Union and/or USWA Local Union 8025 does not have and never had a "policy and/or practice of paying its employees for working on [federal election] campaigns."

Interrogatory 8. c) State whether the United Steelworkers of America Local Union 8025 shared the document entitled "1992 Campaign Workers Salary and Expenses" with the Citizens for Senator Wofford committee or any agent thereof? If so, identify the individuals with whom the document was shared and the date(s) on which this occurred.

RESPONSE: No, not to my knowledge. Senator Harris Wofford was a candidate for election to the United States Senate from Pennsylvania in the November 5, 1991 Special Election.

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It is my understanding that the document entitled "1992 CAMPAIGN WORKER SALARY AND EXPENSES", a copy of which is attached hereto as Exhibit 6, may have been used as a guide for reimbursing USWA members in Pennsylvania for lost wages or expenses incurred while engaging in a GOTV campaign or union member voter education efforts directed to members of the United Steelworkers and their families in 1992.

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(Continued on page 14...)

Information was provided to assist in drafting these responses by Herbert W. Branan and C. James DeBord.

Mr. Branan's address and telephone number are:
P.O. Box 102
Worthington, PA 16262

(412) 297-3101.

The address and telephone of Mr. DeBord are:
2001 N. Front Street, Bldg. 1, #210
Harrisburg, PA 17102

(717) 238-7359

Mr. DeBord is an employee of the USWA International Union.

Assistance was provided in drafting these responses to the foregoing FEC interrogatories by William H. Schmelling. His address and telephone number are:
One East Wacker Drive, Suite 1910
Chicago, IL 60601

(312) 467-1995

Mr. Schmelling is a staff attorney employed by the United Steelworkers of America, International Union.

26043774273

VERIFICATION

Commonwealth of Pennsylvania)
County of Beaver) SS:
)

BILLY H. HUTCHINSON, having been duly sworn, on oath states:

I have read the foregoing responses to interrogatories directed to United Steelworkers of America, Local Union 8025 by the Federal Election Commission; I am familiar with the facts set forth in those responses and those responses are true and correct to the best of my information, knowledge and belief.

Billy H. Hutchinson
Billy H. Hutchinson

Subscribed and Sworn to before me this 1st day of April [May], 1996.

Harry E. Knapple
Notary Public

NOTARIAL SEAL
HARRY E. KNAPPLE, Clerk, Indian
Rural, PA Beaver County
My Commission Expires Jan. 2000

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United Steelworkers of America
AFL-CIO/CLC

Five Gateway Center
Pittsburgh, PA 15222

(412) 562-2300 • FAX (412) 562-2598

Lynn R. Williams
International President

January 25, 1994

William H. Hutchinson, Sub-Director
District 20, USWA
390 Ohio River Boulevard
Baden, PA 15005

Greetings:

This is to officially notify you that all of the officers of Local Union 8025 have been relieved of their duties and you have been appointed Administrator over the affairs of this Local Union.

Please call at the Merchants National Bank, Worthington Branch, Kittanning, Pennsylvania, where this Local Union has accounts and sign the necessary signature cards. Please send these cards to the District Director for his signature, who in turn will forward to International Headquarters for signatures by the appropriate International Officers.

Upon receipt of all books, records and property from the Local Union, you are required to complete the Initial Government Report Form LM-15 which must include Statement of Assets and Liabilities as of date of Administrator's appointment. Any assistance needed in completing this form may be obtained through contacting the Government Reports Department at 412/562-2370.

The Government Report Form LM-15 must be returned to this office within 30 days to the attention of Frank Mont.

Yours fraternally,

Lynn R. Williams

LYNN R. WILLIAMS
International President

EXHIBIT
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UNITED STEELWORKERS OF AMERICA

ANDREW V. PALM, DIRECTOR
DISTRICT 10
PENNSYLVANIA

390 OHIO RIVER BOULEVARD BADEN, PA. 15005
PHONE (412) 869-3933 FAX (412) 869-5869

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL
MAY 2 2 53 PM '96

May 1, 1996

Federal Election Commission
Office of the General Counsel
Attention: Tracey L. Ligon, Attorney
999 "E" Street, N.W.
Washington, D.C. 20463

VIA Express Mail EF296674568US

RE: MUR 4321 - Local Union 20-08025, United Steelworkers of America, and United Steelworkers of America, International Union, Respondents and Herbert Branan

Dear Ms. Ligon

Enclosed are the Responses by **Local Union 8025**, United Steelworkers of America to the Federal Election Commission's Interrogatories in this matter.

It is my understanding that counsel for USWA Local Union 8025 in this matter, William Schmelling, is sending you additional legal and factual materials relevant to the FEC's consideration of this matter to demonstrate that no action should be taken against USWA Local Union 8025 or the USWA International Union.

Very truly yours,

Billy H. Hutchinson

Billy H. Hutchinson
Administrator, USWA Local Union 8025

jd
enclosure
c: William Schmelling

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RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL
MAY 2 2 53 PM '96

MUR 4321
5-1-96

RESPONSES BY
LOCAL UNION 8025, UNITED STEELWORKERS OF AMERICA
TO INTERROGATORIES FROM
THE FEDERAL ELECTION COMMISSION

Interrogatory 1. a) State whether the United Steelworkers of America Local Union 8025 now has or, at any time during the period from 1990 to present, ever had a policy and/or practice of paying the salary and expenses of individuals during periods in which the individuals work on campaigns. If so, describe the policy and/or practice in detail, including whether it requires individuals to provide services to the campaigns first and then receive payments from the labor union, or visa versa.

RESPONSE: No. As an employee of the United Steelworkers of America ("USWA") International Union, I have served as the USWA Staff Representative assigned to assist Local Union 8025 and to serve as a liaison between the International Union and USWA Local Union 8025 since the early 1970's. Consequently, I am familiar with the policies and practices of USWA Local Union 8025.

The closing by the employer of the facilities where the members of USWA Local Union 8025 were employed in January, 1994, resulted in Local Union 8025 being placed under an administratorship by the USWA International Union. Attached as **Exhibit A** is a copy of a letter dated January 25, 1994, notifying me that all of the officers of Local Union 8025 had been relieved of their duties and that I had been appointed Administrator over the affairs of the local union. All books, records and property of USWA Local Union 8025 were turned over to me and have been placed in temporary storage at the offices of the USWA Displaced Workers Program at 214 East Main Street, Worthington,

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Pennsylvania.

USWA Local Union 8025 does not have and, at any time during the period from 1990 to the present, did not have a policy and/or practice of paying the salary and expenses of individuals in periods during which the individuals worked on federal election campaigns.

In answering this Interrogatory, I understand the FEC to be using the phrase "work on campaigns" as it appears to have been used in the Factual and Legal Analysis which accompanied the FEC's interrogatories and the request for documents to USWA Local Union 8025. The assumption appears to have been made in that Factual and Legal Analysis that for a period of approximately two months in 1991, Mr. Herbert Branan, then a member of USWA Local Union 8025, worked directly for or with the Citizens for Senator Wofford campaign committee and engaged in political activities aimed at the general public. However, he did not.

During September, October and the first week of November, 1991, Herbert Branan took a temporary leave of absence from his regular jobs to engage in USWA member voter education work. Such work consisted of communicating with and educating the USWA members and their families concerning the November 5, 1991 Special Election between Harris Wofford and Richard Thornburg for the office of United States Senator from Pennsylvania. Mr.

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Branan did not engage in such voter education or campaign work directed to the general public. None of that USWA member voter education work was carried out or coordinated with "the campaign of Mr. Wofford."

Mr. Branan was reimbursed by Local Union 8025 for the time he lost from his regular jobs and his expenses while engaged in such union membership voter education work in September, October and the first week of November, 1991.

Attached hereto as **Exhibits 1-5** are copies of five "Salary Lost Time & Expense Vouchers" which were submitted by Herbert Branan to USWA Local Union 8025 for such work in September, October and the first week of November, 1991. I understand from Mr. Branan that in using the term "the Wofford Campaign" as the reason for his lost time on those five vouchers, Mr. Branan was referring to his political education work among members of the USWA and their families.

The November 5, 1991 Special Election between Richard Thornburg and Harris Wofford is the only federal election in which an individual was reimbursed for lost wages or expenses by USWA Local Union 8025 for performing union member voter education work such as that performed by Mr. Branan in September, October and the first week of November, 1991.

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Interrogatory 1. b) State the source of funds used by the United Steelworkers of America Local Union 8025 to make such payments.

RESPONSE: USWA Local Union 8025 made no payments to any individual for work on any federal election campaign. Please see the USWA Local Union 8025's response to Interrogatory 1a, above, which is incorporated herein by reference.

Payments made by USWA Local Union 8025 to reimburse Mr. Branan for the wages he lost from his two regular jobs and his expenses while engaged in union member voter education work during September, October and the first week of November, 1991, were from USWA Local Union 8025 general treasury funds, as reflected in attached **Exhibits 1-5**.

Interrogatory 1. c) State the date on which the policy and/or practice commenced and whether such policy and/or practice still exists. If the policy and/or practice existed but is no longer in effect, state when and why it was terminated.

RESPONSE: As is stated in response to Interrogatory 1a, above, USWA Local Union 8025 never had any policy and/or practice of paying the salary or expenses of individuals during periods in which such individuals worked on federal election campaigns. As is stated in response to Interrogatory 1a, above, during the approximately two months prior to the November 5, 1991 Special Election for United Senator from Pennsylvania, one individual, Herbert Branan, engaged in union membership voter education work concerning that election and was reimbursed for his expenses and the wages he lost while engaged in such work.

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To the best of my knowledge and recollection, having been the International Union Staff Representative assigned to USWA Local Union 8025 since the early 1970's, no other individual ever was reimbursed by USWA Local Union 8025 for such union member voter education work in relation to that or any other federal election.

Interrogatory 1. d) Identify by name and title all of the individuals involved with administering this policy and/or practice.

RESPONSE: As is stated in response to Interrogatories 1a and 1c, above, USWA Local Union 8025 never had a policy and/or practice of paying any individual to work on federal election campaigns aimed at the general public.

Interrogatory 1. e) Provide all documents describing or setting forth the policy and/or practice.

RESPONSE: Please see the response to Interrogatory 1d, above, which is incorporated herein by reference.

Interrogatory 2. a) State whether the United Steelworkers of America Local Union 8025 paid a salary or expenses to Mr. Herbert Branan, a member of Local Union 8025, for working on the campaign(s) of Mr. Harris Wofford. If so, identify the individual(s) who have direct and/or indirect knowledge of this occurrence.

RESPONSE: No. Please see the responses to Interrogatory 1a & 1b, above, which are incorporated herein by reference.

As stated therein, during September, October and the first week of November, 1991, Herbert Branan took a temporary leave of

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absence from his regular jobs to engage in USWA member voter education work. Such work consisted of communicating with and educating USWA members and their families concerning the November 5, 1991 Special Election for United States Senator from Pennsylvania. The candidates in that Special Election were Harris Wofford and Richard Thornburg. Mr. Branan did not coordinate or take direction for such work from either of those candidates or their campaign committees. None of that union member voter education work by Mr. Branan was directed to the general public.

Interrogatory 2. b) List the dates on which Mr. Branan provided services to Mr. Harris Wofford's campaign(s) for which Mr. Branan was paid by Local Union 8025.

RESPONSE: Please see the response to Interrogatory to 2a, above, which is incorporated herein by reference.

Interrogatory 2. c) State the amount that was paid to Mr. Branan by Local Union 8025 for his work on the campaign(s) of Mr. Harris Wofford and the date(s) of these payments.

RESPONSE: Mr. Branan did not "work on the campaign(s) of Mr. Harris Wofford" at any time. Please see USWA Local Union 8025's responses to Interrogatories 2a & 2b, above, which are incorporated herein by reference.

Interrogatory 2. d) State the source of funds used by Local Union 8025 to pay a salary and expenses to Mr. Branan for working on the campaign(s) of Mr. Harris Wofford.

RESPONSE: Mr. Branan did not work "on the campaign(s) of Mr.

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Harris Wofford." Please see USWA Local Union 8025's responses to Interrogatories 1b and 2a, b & c, above, which are incorporated herein by reference.

Interrogatory 2. e) State whether Local Union 8025 was reimbursed by the United Steelworkers of America International Union for its payment to Mr. Branan for services that Mr. Branan provided to the campaign of Mr. Harris Wofford. If so, identify the source of funds used by the United Steelworkers of America International Union to reimburse Local Union 8025 for those payments. State the date(s) on which the reimbursements occurred.

RESPONSE: Mr. Branan did not provide services "to the campaign of Mr. Harris Wofford." Please see USWA Local Union 8025's responses to Interrogatories 1a & b and 2a, b, c & d, above, which are incorporated herein by reference.

For USWA Local Union 8025's payments to Herbert Branan for the wages he lost from his regular jobs and his expenses while engaged in union membership voter education work in September, October and early November, 1991, USWA Local Union 8025 was reimbursed $7,795.92 between approximately October 8 and December 27th, 1991. The source of the payments made to USWA Local Union 8025 from the International Union to reimburse Local Union 8025 for the payments it made to reimburse Herbert Branan for the wages he lost from his regular jobs and his expenses while engaged in union membership voter education work in September, October and early November, 1991, were treasury funds of the USWA, International Union.

Interrogatory 3. a) State whether the United Steelworkers of America

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International Union now has or, at any time during the period from 1990 to present, ever had a policy and/or practice of paying the salary and expenses of individuals during periods in which the individuals work on federal campaigns. If so, describe the policy and/or practice in detail, including whether it requires individuals to provide services to the campaigns first and then receive payments from the labor union, or visa versa.

RESPONSE: No. The phrase "work on federal campaigns" is understood from the Federal Election Commission's Factual & Legal Analysis in this matter to refer to election advocacy work in which an individual might engage under the direction or in coordination with a candidate for federal office or with the campaign committee or committees of such a candidate for federal office and where such work or activities are directed at the general public. Please see the USWA Local Union 8025's responses to Interrogatories 1a and 2a, above, which are incorporated herein by reference.

Interrogatory 3. b) State the source of funds used by the labor organization to make such payments.

RESPONSE: No such payments were made. Please see the USWA Local Union 8025's responses to Interrogatories 1a, 2a and 3a, above, which are incorporated herein by reference.

Interrogatory 3. c) State the date on which the policy and/or practice commenced and whether such policy and/or practice still exists. If the policy and/or practice existed but is no longer in effect, state when and why it was terminated.

RESPONSE: No such policy and/or practice ever commenced or existed. Please see the response to Interrogatory 3a, above, which is incorporated herein by reference.

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Interrogatory 3. d) Identify by name and title all of the individuals involved with administering this policy and/or practice.

RESPONSE: No such policy and/or practice ever existed or was administered. Please see the response to Interrogatory 3a, above, which is incorporated herein by reference.

Interrogatory 3. e) Provide all documents describing or setting forth the policy and/or practice.

RESPONSE: No such policy and/or practice ever existed. Please see USWA Local Union 8025's response to Interrogatory 3a, above, which is incorporated herein by reference.

Interrogatory 4. Identify every individual to whom the United Steelworkers of America Local Union 8025 paid a salary and/or expenses for working on the campaign of Mr. Harris Wofford or for work on any other federal campaign. State the date(s) on which each employee provided such services, the campaign for which each individual worked, the amounts for which each individual was paid, and the date (or approximate date) of payment(s).

RESPONSE: USWA Local Union 8025 paid no individual a salary and/or expenses for "working on the campaign of Mr. Harris Wofford or for work on any other campaign." Please see USWA Local Union 8025's responses to Interrogatories 1a, 2a and 3a, above, which are incorporated herein by reference.

Interrogatory 5. Produce all documents reflecting payments by the United Steelworkers of America Local Union 8025 to individuals for their work on any federal campaign.

RESPONSE: No such documents exist because USWA Local Union 8025 made no payments to any individual for her or his "work on any

federal campaign." Please see USWA Local Union 8025's responses to Interrogatories 1a, 2a, 3a and 4, above, which are incorporated herein by reference.

Interrogatory 6. Produce all documents reflecting reimbursements by the United Steelworkers of America International Union to Local Union 8025 for its payments of the salary and expenses of individuals that have worked on federal campaigns.

RESPONSE: No documents reflecting reimbursements by the USWA International Union to Local Union 8025 exist or ever existed because USWA Local Union 8025 made no payments of such salary and expenses for any individual's work on any federal campaign. Please see USWA Local Union 8025's responses to Interrogatories 1a, 2a, 3a, 4, and 5, above, which are incorporated herein by reference.

Interrogatory 7. Explain the meaning and source of "PEC funds."

RESPONSE: The term "PEC funds" of the USWA refers to accounts which are maintained at the USWA District level in the United States.

Since July 1, 1995, Pennsylvania has been designated by the USWA as its District 10. In 1991, the part of western Pennsylvania in which Mr. Branan worked as a USWA member and in which I worked as an employee of the International Union was in what then was designated as USWA District 20.

It is my understanding that with respect to each District in the United States, the USWA allocates 1% of the dues received from the members in each such district to be available for "PEC" purposes. "PE" refers to political education and the "C" could refer to committee. However, in my experience in District 20 in 1991 and before then, no "committee" actually functioned as such and "PEC funds" referred to an International Union account.

"Political education" expenses which were paid through that account included payments made to reimburse local unions for members' wages and expenses lost while, for example, attending legislative committee meetings or conferences.

In September, October and the first week of November, 1991, USWA Local 8025 member Herbert Branan engaged in union member voter education work relating to the Special Election which was held on November 5, 1991 for United States Senator from Pennsylvania. For that union member voter education work, or his work in that get out the vote ("GOTV") campaign, Mr. Branan was reimbursed by USWA Local Union 8025 for his lost wages and expenses. It is my understanding that, subsequently, the USWA District 20 PEC fund was used to reimburse Local Union 8025 for its reimbursements to Mr. Branan for that GOTV work in 1991.

Interrogatory 8. a) State whether the Citizens for Senator Wofford committee or any agent thereof was aware that the United Steelworkers of America, International Union and/or Local Union 8025, had a policy and/or practice of paying its employees for working for campaigns. If so, describe the basis for your statement. Include the identity of each and every individual associated

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with the Citizens for Senator Wofford committee that was aware of the policy and/or practice, the circumstances that indicate such awareness, and the date of any occurrence(s) cited.

RESPONSE: No, not to my knowledge. Please see the responses of USWA Local Union 8025 to Interrogatory 1a, above, which is incorporated herein by reference.

The USWA International Union does not have and USWA Local Union 8025 does not have and they never had a "policy and/or practice of paying its employees for working for [federal election] campaigns."

Interrogatory 8. b) State whether the information regarding the policy and/or practice of the United Steelworkers of America, International Union and/or Local Union 8025, of paying its employees for working for campaigns was communicated to the Citizens for Senator Wofford committee or any agent thereof. If so, identify the individuals who communicated this information and the individuals associated with the committee who received this information. State the date(s) on which the communication(s) occurred.

RESPONSE: No, not to my knowledge. The USWA International Union and/or USWA Local Union 8025 does not have and never had a "policy and/or practice of paying its employees for working on [federal election] campaigns."

Interrogatory 8. c) State whether the United Steelworkers of America Local Union 8025 shared the document entitled "1992 Campaign Workers Salary and Expenses" with the Citizens for Senator Wofford committee or any agent thereof? If so, identify the individuals with whom the document was shared and the date(s) on which this occurred.

RESPONSE: No, not to my knowledge. Senator Harris Wofford was a candidate for election to the United States Senate from Pennsylvania in the November 5, 1991 Special Election.

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It is my understanding that the document entitled "1992 CAMPAIGN WORKER SALARY AND EXPENSES", a copy of which is attached hereto as Exhibit 6, may have been used as a guide for reimbursing USWA members in Pennsylvania for lost wages or expenses incurred while engaging in a GOTV campaign or union member voter education efforts directed to members of the United Steelworkers and their families in 1992.

(Continued on page 14...)

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Information was provided to assist in drafting these responses by Herbert W. Branan and C. James DeBord.

Mr. Branan's address and telephone number are:
P.O. Box 102
Worthington, PA 16262

(412) 297-3101.

The address and telephone of Mr. DeBord are:
2001 N. Front Street, Bldg. 1, #210
Harrisburg, PA 17102

(717) 238-7359

Mr. DeBord is an employee of the USWA International Union.

Assistance was provided in drafting these responses to the foregoing FEC interrogatories by William H. Schmelling. His address and telephone number are:
One East Wacker Drive, Suite 1910
Chicago, IL 60601

(312) 467-1995

Mr. Schmelling is a staff attorney employed by the United Steelworkers of America, International Union.

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VERIFICATION

Commonwealth of Pennsylvania)
County of Beaver) SS:
)

BILLY H. HUTCHINSON, having been duly sworn, on oath states:

I have read the foregoing responses to interrogatories directed to United Steelworkers of America, Local Union 8025 by the Federal Election Commission; I am familiar with the facts set forth in those responses and those responses are true and correct to the best of my information, knowledge and belief.

Billy H. Hutchinson

Billy H. Hutchinson

Subscribed and Sworn to before me this 1st day of April, 1996.

Harry E. Knafelc

Notary Public

NOTARIAL SEAL
HARRY E. KNAFELC, District Justice
Bridgewater, PA Beaver County
My Commission Expires Jan. 2000

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United Steelworkers of America
AFL-CIO/CLC

Five Gateway Center
Pittsburgh, PA 15222
(412) 562-2300 • FAX (412) 562-2598

Lynn R. Williams
International President

January 25, 1994

William H. Hutchinson, Sub-Director
District 20, USWA
390 Ohio River Boulevard
Baden, PA 15005

Greetings:

This is to officially notify you that all of the officers of Local Union 8025 have been relieved of their duties and you have been appointed Administrator over the affairs of this Local Union.

Please call at the Merchants National Bank, Worthington Branch, Kittanning, Pennsylvania, where this Local Union has accounts and sign the necessary signature cards. Please send these cards to the District Director for his signature, who in turn will forward to International Headquarters for signatures by the appropriate International Officers.

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The Government Report Form LM-15 must be returned to this office within 30 days to the attention of Frank Mont.

Yours fraternally,

Lynn R. Williams

LYNN R. WILLIAMS
International President

EXHIBIT
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United Steelworkers of America

LEGISLATIVE COMMITTEE OF PENNSYLVANIA
GOVERNOR'S PLAZA SOUTH
SUITE 213 - BUILDING #1
2001 N. FRONT STREET
Harrisburg, Pa. 17102-2184

TELEPHONE: 717 - 238-7369
FAX 717 - 238-8732

LYNN R. WILLIAMS
International President
EDGAR L. BALL
International Secretary-Treasurer
GEORGE BECKER
International Vice President
LEON LYNCH
International Vice President
Director Affairs

JOHN H. RICE
DIRECTOR, DISTRICT 7
State Chairman
ANDREW V. PALIS
DIRECTOR, DISTRICT 10
Vice Chairman
C. JIM DuBORD
Secretary-Treasurer
ANTHONY RAINALDI
DIRECTOR, DISTRICT 20
ERNEST P. SHOCK
DIRECTOR, UPHOLSTERY DIVISION

1992 CAMPAIGN WORKERS SALARY AND EXPENSES

1. Each District will pay salary and expenses to the Campaign worker in their District.

2. The Local Union will pay the Campaign worker and then the Districts will reimburse the Locals.

3. The reimbursement will be paid out of the PEC funds.

4. Paid salary- 5 days- 40 hours.
   If lost overtime is involved, the District will pay time and one half when verified by the Local.

5. Mileage - $.28 per mile (Keep record of mileage).

6. Meals- Local - within 50 mile radius - Up to $10 per day with receipt. (Note: If you spend less than $10 you will be reimbursed for the amount of the receipt).

   Outside 50 mile radius- $19 per day with receipts.

7. Overnight Trip - District will pay hotel plus $36 per diem. Return- $29.00

8. District will reimburse Locals for matching funds, such as; FICA, SS taxes, etc. taken out of campaign workers salary. Local Union to show these funds and Districts will reimburse locals for the lost monies.

9. Hospitalization and Insurance- If Company does not pay Insurance (for the 2 full months), worker will pay and then get reimbursed from the District - campaign worker must have receipt from Company.

10. All Campaign workers to use yellow voucher as before.

11. Once submitted to the District, check will be made out immediately.

12. Paid weekly or bi-weekly is O.K.

13. If attending PA AFL-CIO meetings on Sunday, expenses only paid not salary. Will be paidfor lost time on Sunday, only if scheduled to work. Must have verification from employer.

EXHIBIT
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United Steelworkers of America

LEGISLATIVE COMMITTEE OF PENNSYLVANIA
GOVERNOR'S PLAZA SOUTH
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2001 N. FRONT STREET
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LEON LYNCH

JOHN H. RECH, DIRECTOR, DISTRICT 7, State Chairman
ANDREW V. PALM, DIRECTOR, DISTRICT 10, Vice Chairman
C. JIM DeBORD, Secretary-Treasurer
ANTHONY RAINALDI, DIRECTOR, DISTRICT 30
ERNEST F. SHOCK, DIRECTOR, UPHOLSTERY DIVISION

1992 CAMPAIGN WORKERS SALARY AND EXPENSES

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EXHIBIT C

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United Steelworkers of America
AFL-CIO/CLC

Five Gateway Center
Pittsburgh, PA 15222

(412) 562-2307 • FAX (412) 562-2599

Leon Lynch
International Vice President/Human Affairs

May 1, 1996

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL
MAY 2 2 54 PM '96

VIA UPS OVERNIGHT DELIVERY

Federal Election Commission
Office of the General Counsel
Attention: Tracey L. Ligon, Attorney
999 "E" Street, NW
Washington, DC 20463

Re: **MUR 4321 - Local Union 20-08025, United Steelworkers of America and United Steelworkers of America, International Union, Respondents and Herbert Branan**

Dear Ms. Ligon:

Enclosed are the Responses by the International Union of the United Steelworkers of America to the Federal Election Commission's Interrogatories in this matter.

It is my understanding that counsel for the International Union in this matter, William Schmelling, is sending you additional legal and factual materials relevant to the FEC's consideration of this matter to demonstrate that no action should be taken against the International Union or Local Union 8025 of the United Steelworkers of America.

Very truly yours,

Leon Lynch

LEON LYNCH
International Vice President (Human Affairs)

Enclosure

c: William Schmelling

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MUR 4321
5-1-96

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL
MAY 2 2 54 PM '96

RESPONSES BY THE
INTERNATIONAL UNION, UNITED STEELWORKERS OF AMERICA
TO INTERROGATORIES FROM THE FEDERAL ELECTION COMMISSION

Interrogatory 1. a) State whether the United Steelworkers of America now has or, at any time during the period from 1990 to present, ever had a policy and/or practice of paying the salary and expenses of individuals during periods in which the individuals work on federal campaigns. If so, describe the policy and/or practice in detail, including whether it requires the individuals to provide services to the campaigns first and then receive payments from the labor organization, or visa versa.

RESPONSE: No. The phrase "work on federal campaigns" is understood from the Federal Election Commission's Factual & Legal Analysis in this matter to refer to election advocacy work in which an individual might engage under the direction in coordination with a candidate for federal office or with the campaign committee or committees of such a candidate for federal office and where such work or activities are directed at the general public. The phrase "work on federal campaigns" as used in these FEC Interrogatories is not understood to be limited to labor organization member voter education work which is directed to a labor organization's officers, administrative employees, members and their families and which some times is referred to as get-the-out-the-vote activity or a GOTV campaign.

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Interrogatory 1. b) State the source of funds used by the labor organization to make such payments.

RESPONSE: None; please see the Response to Interrogatory 1a, above.

Interrogatory 1. c) State the date on which the policy and/or practice commenced and whether such policy and/or practice still exists. If the policy and/or practice existed but is no longer in effect, state when and why it was terminated.

RESPONSE: None; please see the Response to Interrogatory 1a, above.

Interrogatory 1. d) Identify by name and title all of the individuals involved with administering this policy and/or practice.

RESPONSE: No one; please see the Response to Interrogatory 1a, above.

Interrogatory 1. e) Provide all documents describing or setting forth the policy and/or practice.

RESPONSE: No such document exists or ever existed. Please see the Response to Interrogatory 1a, above.

Interrogatory 2. a) State whether the United Steelworkers of America International Union reimbursed America Local Union 8025 for its payment of a salary and expenses to Mr. Herbert BRANAN, a member of Local Union 8025, for working on the campaign(s) of Mr. Harris Wofford. If so, identify the individual(s) who have direct and/or indirect knowledge of this occurrence.

RESPONSE: No.

As is stated by Herbert Branan in his responses to Interrogatories from the FEC in this matter, he never was

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"working on the campaign(s) of Mr. Harris Wofford." A copy of Mr. Branan's responses to the FEC's Interrogatories to him are attached as Exhibit B to these responses and are incorporated herein by reference.

Mr. Branan's work for the International Union in September, October and early November, 1991 was not "work on the campaign of Mr. Harris Wofford." Mr. Branan's work for the International Union during that period of time consisted of informing members of the USWA and their families about the November 5, 1991 Special Election for U.S. Senator from Pennsylvania and the candidates: Harris Wofford and Richard Thornburg. Such union member voter education work was not carried out for, under the direction of or in coordination with either of the candidates or their campaign committees or agents; and such work was not directed to the general public.

For that union membership voter education work in September, October and first week of November, 1991, Mr. Branan was reimbursed by USWA Local Union 8025 for the wages he lost during that time from his regular jobs and for his expenses. Subsequently, USWA Local Union 8025 was reimbursed for those payments to Mr. Branan by the USWA International Union.

Interrogatory 2. b) List the dates on which Mr. Branan provided services to Mr. Harris Wofford's campaign(s) for which Mr. Branan was paid by Local Union 8025 and reimbursed by the United Steelworkers of America International Union.

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RESPONSE: Mr. Branan did not provide services to Mr. Harris Wofford's campaign for United States Senator from Pennsylvania in 1991 or at any other time. Please see the Response to Interrogatory 2a, above.

Please see also Mr. Branan's response to FEC Interrogatory 1b, as set forth on pages 2-3 of attached Exhibit B, wherein he states that the approximate dates during which he engaged in union membership voter education work for the International Union were from September 2 through November 6, 1991.

Interrogatory 2. c) List the amount that was reimbursed to Local Union 8025 and the date(s) of the reimbursement(s).

RESPONSE: Please see the Responses to Interrogatories 2a & b, above.

For its payments to Herbert Branan for his wages lost from his regular jobs and his expenses while engaged in union membership voter education work from September 2 through November 6, 1991, USWA Local Union 8025 was reimbursed $7,795.92 between approximately October 8 and December 27, 1991.

Interrogatory 2. d) State the source of funds used to make the reimbursements.

RESPONSE: The source of payments made to USWA Local Union 8025 to reimburse it for its payments which were made by the Local Union

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to reimburse Herbert Branan for the wages he lost from his regular jobs and his expenses while engaged in union member voter education work in September, October and early November, 1991 were treasury funds of the USWA, International Union.

Interrogatory 3. a) List each and every local chapter that the United Steelworkers of America has reimbursed for its payments of salary and expenses to individuals that have worked on federal campaigns. Also list the amount that was reimbursed and the date(s) of reimbursements.

RESPONSE: No such list can be compiled because, to the best of my knowledge, the USWA has not reimbursed any local chapter or local union for payments and no USWA local union has made payments of salary and expenses to individuals that have worked on federal campaigns. The response by the International Union to Interrogatory 1a, above, is incorporated herein by reference.

Interrogatory 3. b) Identify the individual(s) who did the work, the date(s) on which the individual(s) worked, and the campaign for which the individual(s) worked.

RESPONSE: No such individual can be identified. Please see the International Union's responses to Interrogatories 3a, 1d and 1a, above, which are incorporated herein by reference.

Interrogatory 4. Produce all documents reflecting reimbursements by the United Steelworkers of America to local chapters for their payments of the salary and expenses of individuals that have worked on federal campaigns.

RESPONSE: No such documents exist or have existed and can not be produced because the USWA has not made payments to so reimburse any local chapter or local union; and no local union of the USWA,

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to the best of my knowledge, has made any payments of salary or expenses to individuals who have worked on federal campaigns. Please see the International Union's response to Interrogatories 1a and 3a, above, which are incorporated herein by reference.

Interrogatory 5. Produce all documents reflecting payments by a local chapter of the United Steelworkers of America to individuals for their work on any campaign for federal office.

RESPONSE: No such documents exist or have existed or could be produced because, to the best of my knowledge, no local chapter or local union of the USWA has made payments to individuals for work on any campaign for federal office. Please see the International Union's response to Interrogatories 1a, 3a and 4, above, which are incorporated herein by reference.

Interrogatory 6. Explain the meaning and source of "PEC funds."

RESPONSE: The term "PEC funds" of the USWA refers to accounts which are maintained at the USWA District level in the United States.

The USWA has designated seven different geographical areas in the United States as USWA Districts. For example, since July 1, 1995, Pennsylvania has been designated as USWA District 10. In 1991, the part of western Pennsylvania in which Mr. Herbert Branan worked as a USWA member was in what then was designated as USWA District 20.

With respect to each District in the United States, the USWA allocates 1% of the dues received from the members in each such district to be available for "PEC" purposes. "PE" in this context refers to "political education": communications from the USWA to its members and their families on legislative and political issues and candidates. District PEC funds are used to reimburse USWA local unions within each district for payments made by the local unions to reimburse members for their lost wages and expenses while, for example, attending legislative committee meetings or conferences or engaging in membership voter education efforts.

Guidelines for reporting expenses and lost wages of USWA members in Pennsylvania while engaging in union membership voter education efforts - a "GOTV" (Get out the vote) Campaign - in Pennsylvania prior to the 1992 general election were set forth in a document entitled "1992 CAMPAIGN WORKERS SALARY AND EXPENSES." A copy of that document is attached to these responses to FEC Interrogatories as Exhibit C.

In that 1992 general election, Senator Harris Wofford was not a candidate. As stated at page 10 of attached Exhibit B, Herbert Branan worked for the USWA in its membership GOTV campaign, or union membership voter education efforts in September, October and early November, 1991. But Mr. Branan did not work for the USWA in union membership voter education efforts

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in relation to the 1992 general election. The term "PEC funds" is used in attached Exhibit C as I have described it in this response to FEC Interrogatory 6. In attached Exhibit C, "CAMPAIGN WORKERS" was used to refer to USWA members who were working in the Union's voter membership education efforts or "GOTV Campaign" in 1992.

Interrogatory 7. a) State whether the Citizens for Senator Wofford committee or any agent thereof was aware that the United Steelworkers of America, International Union and/or Local Union 8025, had a policy and/or practice of paying its employees for working for campaigns. If so, describe the basis for your statement. Include the identity of each and every individual associated with the Citizens for Senator Wofford committee that was aware of the policy and/or practice, the circumstances that indicate such awareness, and the date of any occurrence(s) cited.

RESPONSE: The USWA International Union did not have a policy and/or practice of paying its employees for working on federal election campaigns aimed at the general public. USWA Local Union 8025 did not have a policy and/or practice of paying its employees for working on federal elections aimed at the general public. Please see the response to Interrogatory 1a, above, which is incorporated herein by reference. There was no such policy and/or practice of which the Citizens for Senator Wofford committee or any agent there of could have been aware.

Interrogatory 7. b) State whether information regarding the policy and/or practice of the United Steelworkers of America, International Union and/or Local Union 8025, of paying its employees for working for campaigns was communicated to the Citizens for Senator Wofford committee or any agent thereof. If so, identify the individuals who communicated this information and the individuals associated with the committee who received this information. State the date(s) on which the communication(s) occurred.

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RESPONSE: No. There was no policy and/or practice of the United Steelworkers of America, International Union or of its Local Union 8025 of paying its employees for working on federal election campaigns aimed at the general public about which information could have been communicated to the Citizens for Senator Wofford committee or any agent thereof. Please see the responses to Interrogatories 1a, 6 and 7a, above, which are incorporated herein by reference.

Interrogatory 7. c) State whether the United Steelworkers of America shared the document entitled "1992 Campaign Workers Salary and Expenses" with the Citizens for Senator Wofford committee or any agent thereof? If so, identify with whom the document was shared and the date(s) on which this occurred.

RESPONSE: No. Please see the response to Interrogatory 6, above.

The document entitled "1992 CAMPAIGN WORKERS SALARY AND EXPENSES", a copy of which is attached to these Interrogatory responses as Exhibit C, was used by the United Steelworkers of America in Pennsylvania in connection with union member voter education or GOTV efforts relating to the November, 1992 general election. Senator Harris Wofford was a candidate for election in the November 5, 1991 election, but not in 1992.

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Information was provided to assist in drafting these responses by Herbert W. Branan, C. James DeBord and Frank Mont.

Mr. Branan's address and telephone number are:
P.O. Box 102
Worthington, PA 16262

(412) 297-3101.

The address and telephone of Mr. DeBord are:
2001 N. Front Street, Bldg. 1, #210
Harrisburg, PA 17102

(717) 238-7359

Mr. DeBord is an employee of the USWA International Union.

The address and telephone number of Mr. Mont are:
2324 Morrow Road
Upper St. Clair, PA 15241

(412) 833-0497

Before his retirement, Mr. Mont was employed by the USWA International Union. His most recent position was Director of the USWA's Dislocated Workers Program.

Assistance was provided in drafting these responses to the foregoing FEC interrogatories by William H. Schmelling. His address and telephone number are:
One East Wacker Drive, Suite 1910
Chicago, IL 60601

(312) 467-1995

Mr. Schmelling is a staff attorney employed by the United Steelworkers of America, International Union.

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VERIFICATION

Commonwealth of Pennsylvania)
County of Allegheny) SS:
)

I am the International Vice President/Human Affairs of the United Steelworkers of America; I have held this office since 1977.

I have read the foregoing responses to interrogatories directed to the USWA International Union by the Federal Election Commission; I am familiar with the facts set forth in those responses and those responses are true and correct to the best of my information, knowledge and belief.

Leon Lynch
Leon Lynch

Subscribed and Sworn to before me this day 1st of May, 1996.

Ruth D. Jurella
Notary Public

Notarial Seal
Ruth D. Jurella, Notary Public
Pittsburgh, Allegheny County
My Commission Expires Dec. 7, 1999
Member, Pennsylvania Association of Notaries

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MUR 4321

RESPONSES BY HERBERT W. BRANAN
TO INTERROGATORIES FROM
THE FEDERAL ELECTION COMMISSION

Interrogatory 1. a) State whether the United Steelworkers of America Local Union 8025 made payments to you equal to your salary and/or expenses during periods in which you worked on the campaign of Mr. Harris Wofford or for any other federal campaign. If so, list each and every campaign for federal office to which you provided services and were paid by the labor union and the amounts that you were paid.

RESPONSE: I cannot respond to Interrogatory 1a as it is stated because I never worked "on the campaign of Mr. Harris Wofford" during the time covered by these interrogatories from the FEC: January, 1990 to the present.

During September, October and the first week of November, 1991, I took a temporary leave of absence from my regular jobs to work for the United Steelworkers of America ("the USWA"), my labor union. I informed members of the Union and their families about Harris Wofford and his candidacy in 1991 for the office of United States Senator from Pennsylvania. I also discussed his opponent in that election, Richard Thornburg. But I did not "work on the campaign of Mr. Harris Wofford or for any other federal campaign;" nor did I work for or with the Citizens for Senator Wofford committee or any agent of that committee.

My work during September, October and early November, 1991 for the USWA consisted of communicating with and educating the Union's members and their families. To a lesser extent, I also engaged in political education work with members of other AFL-CIO

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affiliated unions. None of that work was carried out or coordinated with "the campaign of Mr. Wofford."

I was reimbursed by USWA Local Union 8025 for wages I lost from my regular jobs and my expenses when I was working during September, October and early November, 1991 in the Union's efforts to educate its members and their families about the U.S. Senate race between Harris Wofford and Richard Thornburg. On four of the five "Salary, Lost Time and Expense Vouchers" submitted by me to USWA Local Union 8025 during that period of time I wrote as my reason for my lost time "the Wofford Campaign." I was referring by that phrase to my political education work among members of the USWA and their families.

Copies of those five vouchers are attached as Exhibits 1-5.

The November 5, 1991 election between Harris Wofford and Richard Thornburg for the U.S. Senate from Pennsylvania is the only federal election in which I engaged in such political education work for the USWA.

Interrogatory 1. b) State the date or approximate dates on which you provided such services and the dates that such payments were made.

RESPONSE: The approximate dates on which I engaged in union member voter education work among members of the USWA, their families and members of other unions affiliated with the AFL-CIO

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prior to the November 5, 1991 election, as indicated on Exhibits 1-5, were from September 2 through November 4, 1991. From attached Exhibits 1-5, it appears that the dates on which I received reimbursement from USWA Local Union 8025 for that union voter education work were approximately September 17, September 27, October 15, November 6 and November 18, 1991, or within about one week following each of those dates.

Interrogatory 1. c) State whether you provided services to the federal campaign(s) first and then received payments from the labor union, or vice versa.

RESPONSE: I cannot respond to Interrogatory 1c as it is stated because I did not provide services to any federal campaigns. I provided services to the USWA. I was reimbursed by USWA Local Union 8025 for my lost time and expenses on the approximate dates as stated in response Interrogatory 1b after I provided union member voter education services in September, October and early November, 1991.

It is my understanding that subsequently the International Union of the USWA, through its District 20 office, reimbursed USWA Local Union 8025 for the reimbursement payments which were made to me by Local Union 8025 as described in my response to Interrogatory 1b above.

Interrogatory 2. a) State whether the United Steelworkers of America Local Union 8025 made payments to other individuals equal to their salary and/or expenses during periods in which the individuals worked on federal campaigns. If so, identify each and every individual who received such payments, the amount that they were paid, and the federal campaign to which they provided services.

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RESPONSE: The only period of time when I worked in union membership political education efforts among members of the USWA and their families relating to any federal election was during September, October and early November, 1991; and, as described in my responses to Interrogatories 1a, b and c, above, I was reimbursed by USWA Local Union 8025 for my lost time earnings from my regular jobs and for expenses, as shown on attached Exhibits 1-5. To the best of my knowledge, no other individual engaged in such USWA member political education work relating to that or any other federal election and was so reimbursed by USWA Local Union 8025 at that or any other time. This conclusion is based on my experiences as an active member of USWA Local Union 8025 for a number of years including serving as a grievance steward beginning in 1981, holding the offices of Local Union Trustee from 1985 to 1988 and of Financial Secretary from 1988 until May of 1991 when I began serving again as a Trustee of the local union. I also served on Local Union 8025's Legislative Committee from 1988 through 1993.

At the end of 1993, the Moonlight Mushroom Company, which was the employer of USWA Local Union 8025 members and my employer, ceased its operations. USWA Local Union 8025, consequently, was placed under an administratorship by the USWA International Union in January, 1994 and has not functioned as an active local union since that time.

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Interrogatory 2. b) State the dates or approximate dates on which each individual provided such services and the dates or approximate dates that such payments were made.

RESPONSE: The only period of time when I worked in union membership political education efforts among members of the USWA and their families relating to any federal election was during September, October and early November, 1991; and, as described in my responses to Interrogatories 1a, b and c, above, I was reimbursed by USWA Local Union 8025 for my lost time earnings from my regular jobs and for expenses, as shown on attached Exhibits 1-5. To the best of my knowledge, no other individual engaged in such USWA member political education work relating to that or any other federal election and was so reimbursed by USWA Local Union 8025 at that or any other time. This conclusion is based on my experiences as an active member of USWA Local Union 8025 for a number of years including serving as a grievance steward beginning in 1981, holding the offices of Local Union Trustee from 1985 to 1988 and of Financial Secretary from 1988 until May of 1991 when I began serving again as a Trustee of the local union. I also served on Local Union 8025's Legislative Committee from 1988 through 1993.

At the end of 1993, the Moonlight Mushroom Company, which was the employer of USWA Local Union 8025 members and my employer, ceased its operations. USWA Local Union 8025, consequently, was placed under an administratorship by the USWA International Union in January, 1994 and has not functioned as an active local union since that time.

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Interrogatory 2. c) State whether the individual provided the services to the federal campaign(s) first and then received payments from the labor union, or visa versa.

RESPONSE: The only period of time when I worked in union membership political education efforts among members of the USWA and their families relating to any federal election was during September, October and early November, 1991; and, as described in my responses to Interrogatories 1a, b and c, above, I was reimbursed by USWA Local Union 8025 for my lost time earnings from my regular jobs and for expenses, as shown on attached Exhibits 1-5. To the best of my knowledge, no other individual engaged in such USWA member political education work relating to that or any other federal election and was so reimbursed by USWA Local Union 8025 at that or any other time. This conclusion is based on my experiences as an active member of USWA Local Union 8025 for a number of years including serving as a grievance steward beginning in 1981, holding the offices of Local Union Trustee from 1985 to 1988 and of Financial Secretary from 1988 until May of 1991 when I began serving again as a Trustee of the local union. I also served on Local Union 8025's Legislative Committee from 1988 through 1993.

At the end of 1993, the Moonlight Mushroom Company, which was the employer of USWA Local Union 8025 members and my employer, ceased its operations. USWA Local Union 8025, consequently, was placed under an administratorship by the USWA International Union in January, 1994 and has not functioned as an active local union since that time.

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Interrogatory 3. a) If the answer to Question 1a is in the affirmative, state whether the Citizens for Senator Wofford committee or any agent thereof knew that the United Steelworkers of America, International Union and/or Local Union 8025, was paying you for working for Mr. Wofford's campaign. If so, describe that basis for your statement. Include the identity of each and every individual associated with the committee that was aware that the union was paying you for working on Mr. Wofford's campaign, the circumstances that indicate such awareness, and the date of any occurrence(s) cited.

RESPONSE: I do not think that my response to FEC Interrogatory 1 a, above, is in the affirmative. Nonetheless, during the months of September, October and early November, 1991 when I was working in USWA member voter education efforts, to the best of my knowledge, I did not work directly with or for any member of the Citizens for Wofford committee nor did I have any direct contact with anyone from that committee. I am unaware of whether the Citizens for Senator Wofford committee or any agent knew of my USWA membership political education work at that time or of the fact that I was reimbursed for my lost wages and expenses by USWA Local Union 8025 for such work or that the USWA International Union reimbursed Local Union 8025 for its reimbursement to me of the wages I lost from my regular jobs and for my expenses involved in that USWA membership voter education work.

Interrogatory 3. b) State whether the Citizens for Senator Wofford committee or any agent thereof knew the source of funds used by the United Steelworkers of America, International Union and/or Local Union 8025, in paying you for working for Mr. Wofford's campaign(s). If so, describe what the committee or any agent thereof believed to be the source of such funds and the basis for your statement. Identify each individual associated with the committee that possessed such knowledge and provide the date or approximate date on which such knowledge was acquired.

RESPONSE: During the months of September, October and early November, 1991 when I was working in USWA member voter education efforts, to the best of my knowledge, I did not work directly

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with or for any member of the Citizens for Wofford committee nor did I have any direct contact with anyone from that committee. I am unaware of whether the Citizens for Senator Wofford committee or any agent knew of my USWA membership political education work at that time or of the fact that I was reimbursed for my lost wages and expenses by USWA Local Union 8025 for such work or that the USWA International Union reimbursed Local Union 8025 for its reimbursement to me of the wages I lost from my regular jobs and for my expenses involved in that USWA membership voter education work.

Interrogatory 3. c) State whether the Citizens for Senator Wofford committee or any agent thereof knew when the union was paying for your services to the campaign, i.e., whether you were paid by the union before you provided services to the campaign or after you provided services to the campaign. If so, describe what the committee or any agent thereof knew in this regard. Identify each individual associated with the committee that possessed such knowledge and provide the date or approximate date on which such knowledge and provide the date or approximate date on which such knowledge was acquired.

RESPONSE: During the months of September, October and early November, 1991 when I was working in USWA member voter education efforts, to the best of my knowledge, I did not work directly with or for any member of the Citizens for Wofford committee nor did I have any direct contact with anyone from that committee. I am unaware of whether the Citizens for Senator Wofford committee or any agent knew of my USWA membership political education work at that time or of the fact that I was reimbursed for my lost wages and expenses by USWA Local Union 8025 for such work or that the USWA International Union reimbursed Local Union 8025 for its reimbursement to me of the wages I lost from my regular jobs and

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for my expenses involved in that USWA membership voter education work.

Interrogatory 4. a) State whether the Citizens for Senator Wofford committee or any agent thereof knew that the United Steelworkers of America, International Union and/or Local Union 8025, had a policy and/or practice of paying its employees for working for Mr. Wofford's campaign. If so, describe that basis for your statement. Include the identity of each and every individual associated with the committee that was aware of the policy and/or practice, the circumstances that indicate such awareness, and the date of any occurrence(s) cited.

RESPONSE: I am not aware of any USWA or Local Union 8025 "policy and/or practice of paying its employees for working for Mr. Wofford's campaign or for the Citizens for Senator Wofford committee." It is my understanding that after USWA Local Union 8025 reimbursed me for wages I lost from my jobs and my expenses when working in USWA member voter education efforts in September, October and early November, 1991, the USWA International Union reimbursed USWA Local Union 8025 for such lost earnings and expenses. To the extent that such reimbursement could be described as a "policy and/or practice" of the USWA, I cannot state whether information regarding that practice was communicated to the Citizens for Wofford committee.

Interrogatory 4. b) State whether information regarding the policy and/or practice of the United Steelworkers of America, International Union and/or Local Union 8025, of paying its employees for working for campaigns was communicated to the Citizens for Senator Wofford committee or any agent thereof. If so, identify the individuals who communicated this information and the individuals associated with the committee who received this information. State the date(s) on which the communication(s) occurred.

RESPONSE: I am not aware of any USWA "policy and/or practice of paying its employees for working for Mr. Wofford's campaign" or

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for the Citizens for Senator Wofford committee." It is my understanding that after USWA Local Union 8025 reimbursed me for wages I lost from my jobs and my expenses when working in USWA member voter education efforts in September, October and early November, 1991, the International Union reimbursed USWA Local Union 8025 for such lost earnings and expenses. To the extent that such reimbursement could be described as a "policy and/or practice" of the USWA, I cannot state whether information regarding that practice was communicated to the Citizens for Wofford committee or any agent of that committee.

Interrogatory 4. c) State whether the United Steelworkers of America, International Union and/or Local Union 8025, shared the document entitled "1992 Campaign Workers Salary and Expenses" with the Citizens for Senator Wofford committee or any agent thereof. If so, identify the individuals with whom the document was shared and the date(s) on which this occurred.

RESPONSE: I do not recall seeing or knowing of any document entitled "1992 Campaign Workers Salary and Expenses." As stated above, I did work in the USWA's member voter education efforts in relation to the November 5, 1991 Special Election for United States Senator from Pennsylvania. The candidates were Harris Wofford and Richard Thornburg. I was not involved in any such work, however, in relation to any other federal election, including any 1992 election. It is not likely that a document entitled "1992 Campaign Workers Salary and Expenses" would relate in any way to the 1991 Special Election for U.S. Senator from Pennsylvania; and I have no knowledge of whether any such

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document was shared with "the Citizens for Senator Wofford committee" or any agent of that committee.

Interrogatory 5.) Explain the meaning and source of "PEC funds."

RESPONSE: "PEC", so far as I understand, refers to "Political Education Committee." In 1991, the part of Central-Western Pennsylvania where my Local Union 8025 was located was referred to by the USWA as its "District 20." I think that the PEC fund from which my local union was reimbursed for my lost wages and expenses which I had when working in USWA member voter education efforts in September, October and early November, 1991, was the USWA District 20 PEC fund. I understand that the source of such District 20 PEC funds represented 1% of the USWA dues paid by all USWA members in its District 20. "Political education", in my opinion, is an appropriate name for the work I did in September, October and early November, 1991. "PEC" is the way the Union educates its members and their families to assist them in making decisions on what candidate would best serve them if elected. That is what I was paid for in reimbursements by my local union, which, in turn, was reimbursed by the international union using such PEC funds.

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I was assisted in drafting my responses to these interrogatories by William Schmelling, Assistant General Counsel, United Steelworkers of America. His address and telephone are: One East Wacker Drive, Suite 1910, Chicago, IL 60601, (312) 467-1995. It is my understanding that Mr. Schmelling is a staff attorney employed by the United Steelworkers of America.

VERIFICATION

Commonwealth of Pennsylvania)
County of Armstrong) SS:
)

HERBERT W. BRANAN, having been duly sworn, on oath states:

I have read the foregoing responses to interrogatories directed to me by the Federal Election Commission; I am familiar with the facts set forth in those responses and those responses are true and accurate to the best of my knowledge and understanding.

Herbert W. Branan

Subscribed and Sworn to before me this day 23 of April, 1996.

Notary Public

Notarial Seal
Candace L. Decock, Notary Public
West Franklin Twp., Armstrong County
My Commission Expires Aug. 6, 1998
Member, Pennsylvania Association of Notaries

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	MUR 4321
United Steelworkers of America	)	
International Union	)	
United Steelworkers of America	)	
Local Union 8025	)	

SENSITIVE

GENERAL COUNSEL'S REPORT

I. BACKGROUND

On March 5, 1996, the Commission found that there was reason to believe that the United Steelworkers of America International Union ("USWA" or "International Union") and the United Steelworkers of America Local Union 8025 ("Local Union 8025") violated 2 U.S.C. § 441b by paying Herbert Branan for working on the federal campaign of Harris Wofford. The Commission simultaneously approved the issuance of interrogatories and document requests to Mr. Branan and the respondent labor unions.

The Commission made its reason to believe findings based on a report of an interview with Mr. Branan conducted by the U.S. Department of Labor. The report states that Mr. Branan "worked on the campaign of then U.S. Senator Harris Wofford for approximately two months" and was paid therefor by the respondent labor unions. In addition, the record contained five of Mr. Branan's time and expense vouchers, which reflect that Mr. Branan lost time from work during the months of September, October, and November, 1991 for reasons stated as "Wofford Campaign Coordinator" or "Wofford Campaign."

II. DISCUSSION

A. Review of Discovery Responses

In response to the interrogatories and document requests, Mr. Branan and the respondent labor unions submit that the Commission has misunderstood the information contained in the

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documents of record. They state that Mr. Branan did not work directly for the campaign of Harris Wofford or for any other federal campaign. Rather, Mr. Branan took a temporary leave of absence from his regular jobs during September, October and the first week of November, 1991, to work for the International Union, communicating with and educating USWA members and their families about Harris Wofford and Richard Thornburg, the candidates in the 1991 special election. They state that none of such union member voter education work was directed to the general public. The unions further state that they had no policy and/or practice of paying employees for working directly on federal campaigns. Local Union 8025 states that the November 5, 1991 special election between Richard Thornburg and Harris Wofford is the only federal election in which it reimbursed an individual for lost wages or expenses for performing union member voter education work and that Mr. Branan was the only such individual reimbursed. The responses indicate that the local union made such payments to Mr. Branan from its general treasury funds, and that the International Union reimbursed the local union $7,795.92 for such payments from its general treasury funds.

The unions explain that the term "PEC funds," which the record reflects as the specific funds that were to be used by the International Union to reimburse local unions for payments to campaign workers, refers to accounts which are maintained at seven different geographical areas in the United States designated as USWA's districts. They state that the USWA allocates 1% of the dues received from the members in each such district to be available for "PEC" purposes; and that "PE" in this context refers to political education, which they define as communications from the USWA to its members and their families on legislative and political issues and candidates.

In light of the additional information submitted, counsel to the respondents maintains that Mr. Branan's "activities in relation to the 1991 Special Election for U.S. Senator in Pennsylvania amounted to no more than a get-out-the-vote-drive aimed at USWA members and their families." Counsel concedes that Mr. Branan's activities were partisan communications but argues that "... such communications by a labor organization to its members and their families fall within the

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exception of 2 U.S.C. § 441b...." Counsel concludes, "[g]iven that the facts are contrary to the false premise on which the FEC's factual and legal analysis rests, there is no reason to believe that either the International Union or Local Union 8025 violated 2 U.S.C. § 441b."

B. Analysis

The information in the initial referral indicated that Mr. Branan "worked on the campaign of then U.S. Senator Harris Wofford," which suggests that Mr. Branan worked directly for the Citizens for Senator Wofford committee. Respondents have clarified, however, that Mr. Branan's activities were limited to work for the International Union which entailed communicating only with union members and their families regarding the 1991 election. Moreover, the respondents unequivocally deny any association with the federal campaign of Harris Wofford. Given that the respondents' explanation of the transaction is plausible and not inconsistent with the information of record, it does not appear that the respondents have violated Section 441b.

However, it appears that the respondents have violated Section 431(9)(B)(iii) by failing to report to the Commission the costs of Mr. Branan's activities, which constituted partisan communication urging individuals to vote for a particular candidate. Pursuant to Section 431(9)(B)(iii), costs incurred by a labor organization directly attributable to a communication expressly advocating the election or defeat of a clearly identified candidate, shall if such costs exceed $2,000 for any election, be reported to the Commission in accordance with Section 434(a)(4)(A)(i), which requires that such reports be filed quarterly. Inasmuch as the respondents failed to report such activity to the Commission, we recommend that the Commission find reason to believe that the respondents violated 2 U.S.C. § 431. However, given the relatively small amount of money involved, the apparent isolated nature of the activity, and the facts that the activity at issue occurred in 1991 and Local Union 8025 is now defunct, we recommend that the Commission issue an admonishment to the respondents, take no further action, and close the file.

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III. RECOMMENDATIONS

1. Find reason to believe that the United Steelworkers of America International Union violated 2 U.S.C. § 431and take no further action.

2. Find reason to believe that the United Steelworkers of America Local Union 8025 violated 2 U.S.C. § 431 and take no further action.

3. Approve the appropriate letters.

4. Close the file.

Lawrence M. Noble
General Counsel

7/11/96
Date

BY: _____
Lois G. Lerner
Associate General Counsel

Staff Assigned: Tracey L. Ligon

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
United Steelworkers of America International Union;	)	MUR 4321
United Steelworkers of America Local Union 8025.	)	

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on July 17, 1996, the Commission decided by a vote of 5-0 to take the following actions in MUR 4321:

1. Find reason to believe that the United Steelworkers of America International Union violated 2 U.S.C. § 431 and take no further action.

2. Find reason to believe that the United Steelworkers of America Local Union 8025 violated 2 U.S.C. § 431 and take no further action.

3. Approve the appropriate letters, as recommended in the the General Counsel's Report dated July 11, 1996.

4. Close the file.

Commissioners Aikens, Elliott, McDonald, McGarry, and Thomas voted affirmatively for the decision.

Attest:

7-17-96
Date

Marjorie W. Emmons
Marjorie W. Emmons
Secretary of the Commission

Received in the Secretariat: Thurs., July 11, 1996 3:13 p.m.
Circulated to the Commission: Fri., July 12, 1996 12:00 p.m.
Deadline for vote: Wed., July 17, 1996 4:00 p.m.

lrd

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 22, 1996

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

John S. Pegula
District Director
Department of Labor
Office of Labor-Management Standards
1000 Liberty Avenue
Pittsburgh, PA 15222

RE: MUR 4321
United Steelworkers of America
International Union
United Steelworkers of America
Local Union 8025

Dear Mr. Pegula:

This is in reference to the matter which your office referred to the Federal Election Commission on June 30, 1995, concerning the United Steelworkers of America's payments to campaign workers.

Based on that referral, on March 5, 1996, the Commission found that there was reason to believe that the United Steelworkers of America violated 2 U.S.C. § 441b, a provision of the Federal Election Campaign Act of 1971, as amended, and instituted an investigation of this matter. Subsequently, on July 17, 1996, the Commission found reason to believe that the United Steelworkers of America violated 2 U.S.C. § 431. However, after considering the circumstances of this matter, the Commission determined to take no further action against United Steelworkers of America, and closed the file in this matter on July 17, 1996. This matter will become part of the public record within 30 days.

We appreciate your cooperation in helping the Commission meet its enforcement responsibilities under the Federal Election Campaign Act of 1971, as amended.

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If you have any questions, please contact Tracey Ligon, the attorney assigned to this matter, at (202) 219-3400.

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 22, 1996

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

RE: MUR 4321
United Steelworkers of America
International Union
United Steelworkers of America
Local Union 8025

Dear Mr. Schmelling:

On March 5, 1996, your clients, United Steelworkers of America International Union and United Steelworkers of America Local Union 8025 were notified that the Federal Election Commission found reason to believe that they violated 2 U.S.C. § 441b. On May 3, 1996, you submitted a response to the Commission's reason to believe findings. Subsequently, on July 17, 1996, the Commission found reason to believe that your clients, violated 2 U.S.C. § 431, a provision of the Federal Election Campaign Act of 1971, as amended ("the Act."). However, after considering the circumstances of this matter, the Commission also determined to take no further action and closed its file. The General Counsel's Report, which formed a basis for the Commission's finding, is attached for your information.

The Commission reminds you that failure to report to the Commission costs which exceed $2,000 incurred for any election by a labor organization directly attributable to a communication expressly advocating the election or defeat of an identified candidate is a violation of 2 U.S.C. 431(9)(B)(iii). Your clients should take steps to ensure that this activity does not occur in the future.

The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you

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wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact Tracey Ligon, the attorney assigned to this matter, at (202) 219-3400.

Sincerely,

John Warren McGarry

John Warren McGarry
Vice Chairman

Enclosure
General Counsel's Report

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C 20463

THIS IS THE END OF MUR # 4242

DATE FILMED 8/23/96 CAMERA NO. 2

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