FEDERAL ELECTION COMMISSION

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

THIS IS THE END OF MUR # 821

Date Filmed 1/25/79 Camera No. --- 2

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MUR 821

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PS Form 3811, Apr. 1977

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

● SENDER: Complete items 1, 2, and 3
Add your address in the "RETURN TO" space on reverse

1. The following service is requested (check one).
- ☐ Show to whom and date delivered ____¢
- ☒ Show to whom, date, and address of delivery ____¢
- ☐ RESTRICTED DELIVERY
  Show to whom and date delivered ____¢
- ☐ RESTRICTED DELIVERY
  Show to whom, date, and address of delivery $____
  (CONSULT POSTMASTER FOR FEES)

2. ARTICLE ADDRESSED TO:
NRWC

3. ARTICLE DESCRIPTION:

REGISTERED NO.	CERTIFIED NO.	INSURED NO.
	438029	

(Always obtain signature of addressee or agent)

I have received the article described above.
SIGNATURE ☐ Addressee ☐ Authorized agent
J. Fauer

4. DATE OF DELIVERY
11/12/78

POSTMARK
NOV 13

5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE:

CLERK'S INITIALS

☆GPO: 1977—0—249-595

PS Form 3811, Apr. 1977 RETURN RECEIPT REGISTERED, INSURED AND CERTIFIED MAIL

● SENDER: Complete items 1, 2, and 3
Add your address in the "RETURN TO" space on reverse.

1. The following service is requested (check one)
- ☐ Show to whom and date delivered ____ ¢
- ☑ Show to whom, date, and address of delivery ____ ¢
- ☐ RESTRICTED DELIVERY
  Show to whom and date delivered ____ ¢
- ☐ RESTRICTED DELIVERY
  Show to whom, date, and address of delivery $ ____
  (CONSULT POSTMASTER FOR FEES)

2. ARTICLE ADDRESSED TO
Citizens for Percy

3. ARTICLE DESCRIPTION

REGISTERED NO.	CERTIFIED NO.	INSURED NO.
	439030	

(Always obtain signature of addressee or agent)

I have received the article described above.
SIGNATURE: Addressee / Authorized agent

4. DATE OF DELIVERY | POSTMARK

5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE | CLERK'S INITIALS

821 LT

☆GPO: 1977 O - 241-530

CHICAGO, ILL. LOOP STA.
DEC 7 1978
USPO

K STREET, NW
INGTON, DC 20463
FICIAL BUSINESS

790400 Resend 12/20

DO NOT REMAIN IN THIS ENVELOPE

DO NOT REMAIN IN THIS ENVELOPE OR WRAPPER

RETURN TO SENDER

Philip W. Hummer, Treas
Citizens for Percy
140 S Dearborn Street
Chicago, Illinois 60603

A 35 0 7

UNCLAIMED
LOCK BOX SECTION
LOOP STATION
CHICAGO, IL 60603

NOV 21 1978

NOV 29

CERTIFIED
438030

MUK 621

FEDERAL ELECTION COMMISSION
1325 K STREET N.W.
WASHINGTON, D.C. 20463

NOV 8 1978

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Philip W. Hummen, Treasurer
Citizens for Percy
140 S. Dearborn Street
Chicago, IL 60603

Re: MUR 821(78)
Charles Percy
Citizens for Percy

Dear Mr. Hummen:

I am forwarding for your information the enclosed complaint which was received by the Commission.

The Commission has determined that on the basis of the information in the complaint there is no reason to believe that a violation of any statute within its jurisdiction has been committed. Accordingly, the Commission intends to close its file on the matter.

For your information, a copy of our report to the Commmission in this mattter is enclosed.

Sincerely,

William C. Oldaker
General Counsel

Enclosures

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FEDERAL ELECTION COMMISSION
1325 K STREET N.W.
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

NOV 8 1978

Messrs. Reed Larson & Henry L. Walther
National Right to Work Committee
8316 Arlington Boulevard
Suite 600
Fairfax, Virginia 22038

Re: MUR 821(78)
Charles Percy
Citizens for Percy

Dear Messrs. Larson & Walther:

The Federal Election Commission has reviewed the allegations of your complaint dated November 2, 1978, and has determined that on the basis of the information you provided, there is no reason to believe that a violation of the Federal Election Campaign Act of 1971, as amended (the "Act") has been committed.

In your complaint, you based your allegation that the respondent had violated the Act on the legal premise that the AFL-CIO COPE PCC and the PACs of the various unions which are members of the AFL-CIO are affiliated. As you are no doubt aware, this issue was raised by the National Right to Work Committee in an earlier complaint, designated MUR 354(76). In that matter, the Commission found there was no reason to believe the Act had been violated and so notified NRWC's Vice President Andrew Hare by letter dated December 21, 1977.

Accordingly, upon my recommendation the Commission has decided to close its file in this matter.

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In your complaint, you do not allege any instance of where political committees set up by a single international union and its local unions have made contributions to the respondent in excess of the $5,000 limitation. Neither do you allege any instance of where political committees set up by the AFL-CIO and its state and local central bodies have made contributions to the respondent in excess of the $5,000 limitation. If you have information that such excessive contributions have been made, you may bring them to the Commisssion's attention through another complaint.

Should additional information come to your attention which you believe establishes a violation of the Act, please contact me.

Sincerely,

William C. Oldaker
General Counsel

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Sen. Charles Percy	)	Mur No. 821
Citizens for Percy	)	
	)	
	)	

CERTIFICATION

I, Marjorie W. Emmons, Secretary to the Federal Election Commission, do hereby certify that the Commission determined by a vote of 4-0 on November 7, 1978, to adopt the recommendation of the General Counsel to take the following actions in the above-captioned matter:

1. Find no reason to believe the Federal Election Campaign Act, as amended, had been violated.

2. Close the file and send the letters to the complainant and respondent attached to the First General Counsel's Report.

Voting for this determination were Commissioners Aikens, Harris, McGarry, and Tiernan.

Attest:

11/7/78
Date

Marjorie W. Emmons
Marjorie W. Emmons
Secretary to the Commission

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FEDERAL ELECTION COMMISSION
1325 K Street, N.W.
Washington, D.C. 20463

FIRST GENERAL COUNSEL'S REPORT

DATE AND TIME OF TRANSMITTAL
BY OGC TO THE COMMISSION_____

MUR NO. 821
DATE COMPLAINT RECEIVED
BY OGC 11/7/78
STAFF
MEMBER Johnson

COMPLAINANT'S NAME: National Right to Work Committee (NRWC), Reed Larson, President, and Henry L. Walther

RESPONDENT'S NAME: Sen. Charles Percy
Citizens for Percy

RELEVANT STATUTE: 2 U.S.C. §441a(a), §441a(f)

INTERNAL REPORTS CHECKED: MUR 354

FEDERAL AGENCIES CHECKED: None

SUMMARY OF ALLEGATIONS

In a notarized complaint dated November 2, 1978 complainants alleged that respondent candidate and his principal campaign committee exceeded the $5,000 contribution limitation of 2 U.S.C. § 441a(a)(2)(A) by accepting $15,800 from various union PACs "controlled" by the AFL-CIO. Complainants attached a list of the various union PACs which made these contributions, and the dates and amounts of the contributions. In effect, complainants allege that respondents violated § 441a(f) by knowingly accepting such excessive contributions.

PRELIMINARY ANALYSIS

Complainants base their allegation that respondent has violated the Federal Election Campaign Act of 1971, as amended (the "Act") on the legal premise that the AFL-CIO COPE PCC and the PACs of the various unions which are members of the AFL-CIO are affiliated. If complainants' legal premise is accepted, then the AFL-CIO COPE PCC and the PACs of the various unions which are members of the AFL-CIO are all subject to one contribution limitation of $5,000 and respondent would be in violation of the Act by accepting contributions in excess of $5,000 from them.

This issue is identical to one raised by the same complainants in MUR 354(76). In MUR 354 the Commission found that AFL-CIO COPE PCC and the PACs of the various unions which are members of the AFL-CIO are not affiliated. Further the Commission found that under 2 U.S.C. § 441a(a)(5) the AFL-CIO COPE PCC may contribute up to $5,000 per election and that each individual international union PAC may contribute up to $5,000 per election. NRWC was notified of the Commission's findings on December 21, 1977 (see attached letter).

The Commission's findings were based upon the Commission regulations 11 C.F.R. 100.14(c)(2)(i)(B) and (C), 11 C.F.R. 110.3(a)(1)(ii)(B) and (C); and upon the legislative history of the Act which states:

> "All of the political committees set up by a single international union and its local unions are treated as a single political committee.
>
> "All of the political committees set up by the AFL-CIO and its state and local central bodies are treated as a single political committee." (Emphasis added)
>
> (H. Rep. No. 94-1057, 94th Cong., 2nd Sess., p. 58)

Thus, the Commission concludes, as it did in MUR 354, that complainants' legal premise is erroneous and that the AFL-CIO COPE PCC and the PACs of the various unions which are members of the AFL-CIO are not subject to one contribution limitation of $5,000.

Complainants do not allege any instance of where political committees set up by a single international union and its local unions have made contributions to the respondent in excess of the $5,000 limitation. Neither do complainants allege any instance of where political committees set up by the AFL-CIO and its state and local central bodies have made contributions to the respondent in excess of the $5,000 limitation. If such excessive contributions have been made, complainant is not precluded from bringing them to the Commission's attention through another complaint.

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RECOMMENDATION

1. Find no reason to believe the Act has been violated.

2. Close the file and send the attached letters to complainant and respondent.

ATTACHMENTS:

1. 12/21/77 letter to NRWC
2. Proposed letters
3. Complaint

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FEDERAL ELECTION COMMISSION
1325 K STREET N.W.
WASHINGTON, D.C. 20463

December 21, 1977

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Andrew Hare
Vice-President National Right to Work
Committee
8316 Arlington Blvd., Suite 500
Fairfax, Virginia 22038

Dear Mr. Hare: RE: MUR 354 (76)

On December 20, 1977, the Federal Election Commission notified you of the Commission's decision to institute suit against the AFL-CIO with regard to certain practices raised by you in MUR 354 (76) and the termination of its investigation of that case. With regard to the Commission's dismissal of other matters raised in your complaint, as noted in my letter of August 23, 1977, the Commission concluded that you raised four basic issues:

> (1) The partisan stance of the AFL-CIO hierarchy (as shown by newspaper articles, statements by Mr. Meany and Mr. Barkan, and the employment of Ms. Mary Zon by the Carter campaign while on a partial leave of absence (3 days a week) from her job as COPE Research Director) makes its expenditures for registration and get-out-the-vote drives and communications with its members contributions within the meaning of the Act;
>
> (2) Far in excess of the approximately $400,000 reported by the AFL-CIO for communications expressly advocating the election or defeat of a clearly identified candidate were actually spent;

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(3) The AFL-CIO General Fund transferred $600,000 to the COPE Educational Fund (between July 1, 1974 and June 30, 1975) and the COPE Educational Fund transferred $385,000 to the COPE Political Contributions Committee (between January 1975 and May 1976), thereby putting dues money (from the General Fund) into a reporting fund which makes contributions to federal candidates (COPE-PCC);

(4) The Act is discriminatorily unfair if construed to except for purposes of the contribution limits (2 U.S.C. §441a(a)(5)) the constituent union members of the AFL-CIO as separate entities while treating the members of those unions as members of the AFL-CIO, for purposes either of communications to them or of registration and get-out-the-vote drives (2 U.S.C. §441b (b)(2)).

The Commission's conclusion that no action should be taken with regard to issues (1), (2) and (4) rests on the following analysis:

> Complainant recognizes that 2 U.S.C. §441b(b)(2)(A) exempts the general category of communications from the proscription of Section 441b(a), permitting "communications by a corporation to its stockholders and executive or administrative personnel and their families on any subject." See U.S. v. CIO 335 U.S. 106 (1948) (labor organization may communicate partisan views to its members without running afoul of 18 U.S.C. §610). Complainant charges, however, that while labor organizations are free to communicate with their members, including partisan communications, they are not free to conduct registration and get-out-the-vote drives which are partisan and that, since the AFL-CIO's hierarchy supported and coordinated their activities with Carter

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any money spent for registration and get-out-the-vote work is, by definition, partisan and therefore not exempted from the definition of contribution.

Complainant offers no specific evidence that the AFL-CIO or AFL-CIO COPE, in seeking to register voters or get people out to vote, actually discriminated on a partisan basis; complainant's allegations are all based on the public record, mostly newspaper articles, which describe, without specifics, contacts between various AFL-CIO and AFL-CIO COPE officers and political workers and Carter campaign personnel. The nexus of the complaint is that, since the AFL-CIO supported Carter/Mondale, and believed that registration and get-out-the-vote drives in certain areas would aid Carter/Mondale and conducted those drives with those beliefs in mind, all of that activity must be seen as partisan.

(1) This apparent assumption by complainant that a registration or get-out-the-vote drive is made partisan by targeting a particular candidate is not borne out by the statute. There is nothing in the statute to support this proposition; particularly since the communications subsection (2 U.S.C. §441b(b)(2)(A)), protects the right the union to send materials which try to convince individuals to vote (or register) on a partisan basis. Subsection (b)(2)(B) establishes the right to conduct registration and vote drives; but limits the conduct of those drives to non-partisan activity, a distinction which is reflected in the Commission's Regulations. See 11 C.F.R. §114.3 and §114.4.[1] Absent

---

[1] Complainant protests that several portions of the Regulations are not in accord with the statute, and specifically has asked that the Commission formally reconsider them. Inasmuch as the specifics of the individual regulations do not seem to be drawn into question by any particular facts, there seems to be no need to examine them in the context of this complaint. The Commission may, in future examinations of its Regulations, wish to re-examine the ones particularly challenged in light of plaintiff's statements.

evidence (or even allegations) that the drives were conducted in a partisan fashion, the complaint does not seem to state any violation. Nor, since Congress exempted such communications and registration drives from the definition of contribution, would the Carter campaign's acceptance by coordination of the expenditures, if proven, violate the prohibition against federally funded candidates accepting private contributions. 26 U.S.C. §9003(b)(2).

(2) The undocumented assertion that more than the amount reported was actually spent for partisan communications is founded on the same assumptions as those noted above; because money spent on registration and get-out-the-vote drives was "partisan" in complainant's view, all costs with regard to these should be reported. In view of the logic set forth above, the complaint also does not seem to set forth any violation.

(4) Complainant suggests that the statute is fundamentally unfair if it allows the constituent member unions of the AFL-CIO to be treated as separate entities for purposes of the contribution limits while treating the members of those unions as members of the AFL-CIO for purposes either of communications to them or registration and vote drives. No case law under 2 U.S.C. §441b(b)(2)(A) specifically defines the meaning of member. However, the Supreme Court in U.S. v. CIO, supra, 335 U.S. 106, the case which underlies Section 441b(b)(2)(A), affirmed the dismissal of an indictment of Phillip Murray, President of the CIO for placing in the CIO news an editorial advocating the election of a Congressional candidate in Maryland. While the decision does not explicitly speak to the issue, but turns instead on the scope and inherent constitutionality of the contribution and expenditure limitations for unions and corporations, implicit in the case is the understanding that the CIO News, as the weekly publication of the CIO, was distributed to individuals who were members of the unions which belonged to the CIO. In fact, the CIO had printed extra copies for distribution in the third district. This implicit recognition by the court in the CIO case of communications between the Congress of Industrial Organizations

and the members of its members is reflected in the statutory history underlying 2 U.S.C. §441b (b)(1)(A). Thus, the House Report on the Bill stated:

> "The present law permits the AFL-CIO to solicit all AFL-CIO Union members to make voluntary contributions to COPE, its political committee."
>
> (H. Rep. No. 94-917, 94th Cong. 2d Sess. p. 8).

Congressman Hays, during debate in 1974 on the exemptions stated:

> "Thus, the bill exempts communications by membership organizations to their members and by corporations to their stockholders from the definition of expenditure. That exemption, of course, includes communications by a federated organization to its members on behalf of its affiliates utilizing its own or affiliate's resources and personnel, and by a parent corporation on behalf of its subsidiaries."
>
> (120 Cong. Rec. H. 10330 October 10, 1974).

In this regard, complainant attacks the differential treatment of the AFL-CIO and trade associations. Historically, of course, Congress, in legislating in this area, has sought to treat unions and corporations in the same manner, and only in the 1976 amendments did it enact statutorily a right for trade associations to establish separate segregated funds, and thus placed upon them the specific restriction of soliciting members of their members only if permission was granted by the corporate members. That statutory background for classifying trade associations differently from union (or corporate) groups was also, as noted by the Commission in its justification for its regulations, reflected by the absence of legislative history suggesting that Congress intended trade associations to be able to solicit members of their members. The Commission accordingly concluded, in light of the anti-proliferation provisions of the statute (2 U.S.C. §441a(a)(5)) that it could not permit trade associations to solicit from the members of their members.

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Second, complainant argues that if the AFL-CIO can solicit members of its members, the statute does not permit the members to have separate contribution limits. As an initial matter, complainant's insistence that the communication provision and the contribution limitation must be seen as identical seem inappropriate. Section 441b(b)(2) places communication and registration and get-out-the-vote drives outside the definition of contribution and expenditures. Thus, the issue as to the extent of the AFL-CIO communications is severable from the contribution issue. In any event, the Commission's conclusion that the statute was designed to set separate contribution limits for the AFL-CIO and its constituent member unions is based on legislative history. Thus, the Conference Report accompanying the 1976 amendments which added the non-proliferation provisions here in question, pointedly stated:

> "All of the political committees set up by a single international union and its local unions are treated as a single political committee.
>
> "All of the political committees set up by the AFL-CIO and its state and local central bodies are treated as a single political committee."
>
> (H. Rep. No. 94-1057, 94th Cong., 2d Sess., p. 58)

The Commission thus concluded that the statutory provision setting single contribution limits for "political committees established or maintained or financed or controlled by . . . any labor organization, . . . or local unit of such . . . labor organization" was not intended to cover the AFL-CIO and its constituent member unions.

I trust the foregoing explanation satisfactorily informs you of the basis of the Commission's decision.

Sincerely yours,

William C. Oldaker
General Counsel

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FEDERAL ELECTION COMMISSION

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

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Messrs. Reed Larson & Henry L. Walther
National Right to Work Committee
8316 Arlington Boulevard
Suite 600
Fairfax, Virginia 22038

Re: MUR

Dear Messrs. Larson & Walther:

The Federal Election Commission has reviewed the allegations of your complaint dated and has determined that on the basis of the information you provided, there is no reason to believe that a violation of the Federal Election Campaign Act of 1971, as amended (the "Act") has been committed.

In your complaint, you based your allegation that the respondent had violated the Act on the legal premise that the AFL-CIO COPE PCC and the PACs of the various unions which are members of the AFL-CIO are affiliated. As you are no doubt aware, this issue was raised by the National Right to Work Committee in an earlier complaint, designated MUR 354(76). In that matter, the Commission found there was no reason to believe the Act had been violated and so notified NRWC's Vice President Andrew Hare by letter dated December 21, 1977.

Accordingly, upon my recommendation the Commission has decided to close its file in this matter.

In your complaint, you do not allege any instance of where political committees set up by a single international union and its local unions have made contributions to the respondent in excess of the $5,000 limitation. Neither do you allege any instance of where political committees set up by the AFL-CIO and its state and local central bodies have made contributions to the respondent in excess of the $5,000 limitation. If you have information that such excessive contributions have been made, you may bring them to the Commisssion's attention through another complaint.

Should additional information come to your attention which you believe establishes a violation of the Act, please contact me.

Sincerely,

William C. Oldaker
General Counsel

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FEDERAL ELECTION COMMISSION
1325 K STREET N.W.
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Re: MUR

Dear

I am forwarding for your information the enclosed complaint which was received by the Commission.

The Commission has determined that on the basis of the information in the complaint there is no reason to believe that a violation of any statute within its jurisdiction has been committed. Accordingly, the Commission intends to close its file on the matter.

For your information, a copy of our report to the Commission in this matter is enclosed.

Sincerely,

William C. Oldaker
General Counsel

Enclosures

COMPLAINT FILED WITH THE FEDERAL ELECTION COMMISSION

November 2, 1978

Pursuant to 2 U.S.C. Section 437g(a)(1), the National Right to Work Committee (NRWC) and Henry L. Walther, a federal voter and citizen of Virginia, believe that Senator Charles H. Percy and Citizens for Percy, his principal campaign committee, have violated Section 441a(a)(2)(A) of the Federal Election Campaign Act of 1971, as amended, by accepting illegal contributions in excess of the $5,000 limit, per election, from a single multi-candidate political action committee or group of such committees controlled by a common source. During the period of the 1978 elections, Senator Percy and his political committee have accepted $15,800.00 in illegal contributions from AFL-CIO controlled PACs.

Under 2 U.S.C. 441a(a)(5), "all contributions made by a political committee established or financed or maintained or controlled by any corporation, labor organization, or any other person, including any parent, subsidiary, branch, division, department, or local unit of such corporation, labor organization, or any other person, or by any group of such persons, shall be considered to have been made by a single political committee..." (emphasis added). It is clear from the past statements of Mr. Meany and Mr. Barkan, his political staffer, that the political efforts of the AFL-CIO and its member unions, are coordinated and commonly directed in exactly the way contemplated by the statute's prohibition. The various AFL-CIO union political PACs are clearly covered by the common $5,000 limit. Their total of $15,800.00 in contributions to Senator Percy exceeds this amount for both the primary and general elections and is thus an illegal contribution and a serious violation of the law.

The 1978 campaign has been witnessing an incredible display of organized labor's disregard for the law. The AFL-CIO treats its 14 million-member federation as one organization for the purposes of fundraising for its main PAC, COPE-PCC, for its multi-million dollar registration campaigns, for its get-out-the-vote drives, and for its massive political communications program, while on the other hand, it attempts to evade contribution limits on all its sub-PACs by treating them as separate political units. This fiction flies not only in the face of the provision of the non-proliferation section of the law, 441a(a)(5), but it also violates one of the basic purposes of the

original Federal Corrupt Practices Act, and the newer contribution limits. That is to keep the power of large monolithic units and their attendant corruption and undue influence out of the federal election process.

Big Labor's ability to promise its handpicked candidates for federal office $20,000 or $40,000 or even $100,000 in cash per election, while all other interest groups are limited to $5,000, makes a mockery of fairness and election reform. Organized labor's use of compulsory membership dues money to channel these PAC funds and pay for their solicitation makes this practice that much more indefensible. Senator Percy's receipt of such illegal excessive monies represents the real threat of corruption and undue influence aimed at by 2 U.S.C. Section 441a(a)(2)(A) and Section 441a(a)(5). We strongly ask the Commission to take immediate action to stop this abuse before the November 7 election. The American people deserve a Congress that is not "bought" by any special interest group.

For the ease of the Commission, we have excerpted all the contributions made by AFL-CIO union PACs to Senator Percy for both the primary and the general election of 1978, to date. They are listed in the Appendix following.

Reed Larson, President, The National Right to Work Committee, 8316 Arlington Boulevard, Suite 600, Fairfax, Virginia 22036, and Henry L. Walther, a federal voter and citizen of Virginia, being first duly sworn both say that they have read the foregoing complaint and know the contents thereof, and that the same is true on information and belief. This complaint is not being filed on behalf of, or at the request or suggestion of, any candidate for federal office.

NATIONAL RIGHT TO WORK COMMITTEE

_____

Reed Larson, President

Henry L. Walther

Henry L. Walther, 5234 Aymford Drive
Fairfax, Virginia

Subscribed and sworn to before me this 22 day of November, 1978.

Suzanne E. Grimsley
Notary Public

My commission expires January 5, 1981.

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CHARLES H. PERCY

NAME OF PAC	DATE	$ AMOUNT
Amal. Clothing & Textile Workers Union - Pol. Action Com. (ACTWU-PACE) Cloth. & Tex.	3/78	2,500.00
Amal. Clothing & Textile Workers Union - Pol. Action Com. (ACTWU-PACE) Cloth. & Tex.	7/11/78	200.00
Carpenters' Legislative Improvement Com. Carpenters & Joiners of America	8/31/78	1,000.00
Chicago & Central States Pol. Ed. Com. Clothing & Textile Workers: Amal.	3/9/78	2,500.00
CWA-COPE Political Contributions Committee Communications Workers of America	5/5/78	2,500.00
Engineers Political & Education Committee Engineers Int'l Union: Operating	6/1/78	500.00
Laborers' Political League Laborers' Int'l Union of N. A.	3/6/78	1,000.00
Railwny Clerks Political League Railway, Airline & Steamship Clerks	5/31/78	100.00
Political Educational Fund of the Building & Const. Trades Dept. AFL - CIO	3/15/78	500.00
Nat'l Rural Letter Carriers Assoc. Pol. Ed. Com; Letter Carriers As'n;Nat'l Rural	8/15/78	200.00
National Rural Letter Carriers Assoc. Pol. Education Com. Letter Carriers As'n. Nat'l	2/22/78	200.00
United Steelworkers of America Pol. Action Fund Steel Workers of America Union	8/24/78	3,000.00
Transportation Political Education League Transportation Union-United	5/78	500.00
Transportation Political Education League Transportation Union- United	2/78	500.00
Committee of Federal Employee Political Education Gov't Employees- Amer. Fed. of	9/20/78	200.00
Political Fund Com. of the American Postal Workers Union- AFL-CIO Postal Workers Un.	9/14/78	100.00
SEIU-COPE-PCC Service Employees International Union	9/20/78	100.00
Maintenance of Way Political League Maintenance of Way Employees	9/8/78	200.00
TOTAL		$15,800.00

COMPLAINT FILED WITH THE FEDERAL ELECTION COMMISSION

MUR821

November 2, 1978

Pursuant to 2 U.S.C. Section 437g(a)(1), the National Right to Work Committee (NRWC) and Henry L. Walther, a federal voter and citizen of Virginia, believe that Senator Charles H. Percy and Citizens for Percy, his principal campaign committee, have violated Section 441a(a)(2)(A) of the Federal Election Campaign Act of 1971, as amended, by accepting illegal contributions in excess of the $5,000 limit, per election, from a single multi-candidate political action committee or group of such committees controlled by a common source. During the period of the 1978 elections, Senator Percy and his political committee have accepted $15,800.00 in illegal contributions from AFL-CIO controlled PACs.

Under 2 U.S.C. 441a(a)(5), "all contributions made by a political committee established or financed or maintained or controlled by any corporation, labor organization, or any other person, including any parent, subsidiary, branch, division, department, or local unit of such corporation, labor organization, or any other person, or by any group of such persons, shall be considered to have been made by a single political committee..." (emphasis added). It is clear from the past statements of Mr. Meany and Mr. Barkan, his political staffer, that the political efforts of the AFL-CIO and its member unions, are coordinated and commonly directed in exactly the way contemplated by the statute's prohibition. The various AFL-CIO union political PACs are clearly covered by the common $5,000 limit. Their total of $15,800.00 in contributions to Senator Percy exceeds this amount for both the primary and general elections and is thus an illegal contribution and a serious violation of the law.

The 1978 campaign has been witnessing an incredible display of organized labor's disregard for the law. The AFL-CIO treats its 14 million-member federation as one organization for the purposes of fundraising for its main PAC, COPE-PCC, for its multi-million dollar registration campaigns, for its get-out-the-vote drives, and for its massive political communications program, while on the other hand, it attempts to evade contribution limits on all its sub-PACs by treating them as separate political units. This fiction flies not only in the face of the provision of the non-proliferation section of the law, 441a(a)(5), but it also violates one of the basic purposes of the

original Federal Corrupt Practices Act, and the newer contribution limits. That is to keep the power of large monolithic units and their attendant corruption and undue influence out of the federal election process.

Big Labor's ability to promise its handpicked candidates for federal office $20,000 or $40,000 or even $100,000 in cash per election, while all other interest groups are limited to $5,000, makes a mockery of fairness and election reform. Organized labor's use of compulsory membership dues money to channel these PAC funds and pay for their solicitation makes this practice that much more indefensible. Senator Percy's receipt of such illegal excessive monies represents the real threat of corruption and undue influence aimed at by 2 U.S.C. Section 441a(a)(2)(A) and Section 441a(a)(5). We strongly ask the Commission to take immediate action to stop this abuse before the November 7 election. The American people deserve a Congress that is not "bought" by any special interest group.

For the ease of the Commission, we have excerpted all the contributions made by AFL-CIO union PACs to Senator Percy for both the primary and the general election of 1978, to date. They are listed in the Appendix following.

Reed Larson, President, The National Right to Work Committee, 8316 Arlington Boulevard, Suite 600, Fairfax, Virginia 22038, and Henry L. Walther, a federal voter and citizen of Virginia, being first duly sworn both say that they have read the foregoing complaint and know the contents thereof, and that the same is true on information and belief. This complaint is not being filed on behalf of, or at the request or suggestion of, any candidate for federal office.

NATIONAL RIGHT TO WORK COMMITTEE

Reed Larson

Reed Larson, President

Henry L. Walther

Henry L. Walther, 3238 Wynford Drive
Fairfax, Virginia

Subscribed and sworn to before me this 2nd day of November, 1978.

Suzanne E. Grimsley
Notary Public

My commission expires January 5, 1981.

CHARLES H. PERCY

NAME OF PAC	DATE	$ AMOUNT
Amal. Clothing & Textile Workers Union - Pol. Action Com. (ACTWU-PACT) Cloth.& Tex.	3/78	2,500.00
Amal. Clothing & Textile Workers Union - Pol. Action Com. (ACTWU-PACT) Cloth. & Tex.	7/11/78	200.00
Carpenters' Legislative Improvement Com. Carpenters & Joiners of America	8/21/78	1,000.00
Chicago & Central States Pol. Ed. Com. Clothing & Textile Workers: Amal.	3/9/78	2,500.00
CWA-COPE Political Contributions Committee Communications Workers of America	5/5/78	2,500.00
Engineers Political & Education Committee Engineers Int'l Union: Operating	6/1/78	500.00
Laborers' Political League Laborers' Int'l Union of N. A.	3/6/78	1,000.00
Railway Clerks Political League Railway, Airline & Steamship Clerks	5/31/78	100.00
Political Educational Fund of the Building & Const. Trades Dept. AFL - CIO	3/15/78	500.00
Nat'l Rural Letter Carriers Assoc. Pol. Ed. Com; Letter Carriers As'n;Nat'l Rural	8/15/78	200.00
National Rural Letter Carriers Assoc. Pol. Education Com. Letter Carriers As'n. Nat.R	2/22/78	200.00
United Steelworkers of America Pol. Action Fund Steel Workers of America Union	8/24/78	3,000.00
Transportation Political Education League Transportation Union:United	6/78	500.00
Transportation Political Education League Transportation Union· United	2/78	500.00
Committee of Federal Employee Political Education Gov't Employees· Amer. Fed. of	9/20/78	200.00
Political Fund Com. of the American Postal Workers Union· AFL-CIO Postal Workers Un.	9/14/78	100.00
SEIU-COPE-PCC Service Employees International Union	9/20/78	100.00
Maintenance of Way Political League Maintenance of Way Employees	9/8/78	200.00
TOTAL		$15,800.00

FEDERAL ELECTION COMMISSION

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

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