



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.  
WASHINGTON, D.C. 20561

THIS IS THE END OF TAP # 994

Date Filmed 3-26-81 Camera No. --- 2

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of the Federal Election Commission, Washington, D.C. 20561

MUR 994

✓ mailed 2/29

**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.)  
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(CONSULT POSTMASTER FOR FEES)

2. ARTICLE ADDRESSED TO:  
 J. P. Manners, Esq  
 IAMA W  
 Wash, DC 20036

3. ARTICLE DESCRIPTION:  
 REGISTERED NO. CERTIFIED NO. INSURED VAL.

25E876

(Always obtain signature of addressee or agent)

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

M. Taylor

4. DATE OF DELIVERY: MAR 2 1981

5. ADDRESS (Complete only if requested):

6. UNABLE TO DELIVER BECAUSE:

MAR 2 1981  
 MAILER'S INITIALS

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

CONVEY - 06C

☆ GPO : 1975-288-008

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NOV 994

FEDERAL ELECTION COMMISSION

See Items 1-23 on attached sheet.

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

\_\_\_ (1) Classified Information \_\_\_ (6) Personal privacy

\_\_\_ (2) Internal rules and practices \_\_\_ (7) Investigatory files

1-23 (3) Exempted by other statute 2 U.S.C. § 437g (a)(4)(B)(i) (8) Banking Information

\_\_\_ (4) Trade secrets and commercial or financial information \_\_\_ (9) Well Information (geographic or geophysical)

20 (5) Internal Documents

Deliberative process -  
5 U.S.C. § 552 (4)(s)

Signed

Vincent Gronowicz

Date

3-3-81

Memo To: FOIA file - MUR 994

From: Vincent J. Conroy, Jr. 3/3/81

Subject: Records deleted from permanent file.

1. Memo from C. N. Steele to Commission, 2-17-81
2. Ltr from A. S. Lewis to V. J. Conroy, 1-26-81
3. Ltr from A. S. Lewis to C. N. Steele, 1-13-81
4. Memo from Cmsn Sec'y to C. N. Steele, 1-7-81
5. Memo from E. T. Barr to Cmsn Sec'y, 12-22-80
6. Interim Conciliation Rpt, 12-22-80
7. Ltr from C. N. Steele to A. S. Lewis, 10-31-80
8. Certification of Cmsn action, 10-28-80
9. Memo to C. N. Steele from Cmsn Sec'y, 10-23-80
10. 48 hour tally sheet, 10-23-80
11. Memo from E. T. Barr to Cmsn Sec'y, 10-20-80
12. Memo from C. N. Steele to Cmsn, 10-20-80
13. Memo from Cmsn Sec'y to C. N. Steele, 10-1-80
14. Memo from J. Colgrove to Cmsn Sec'y, 9-29-80
15. Interim Conciliation Rpt #1, 9-24-80
16. Ltr from A. S. Lewis to C. N. Steele, 9-15-80
17. Ltr from A. S. Lewis to C. N. Steele, 8-27-80
18. Certification of Cmsn action, 7-25-80
19. Memo from Cmsn Sec'y to C. N. Steele 7-10-80
20. 48 hour tally sheet, 7-8-80
21. Memo from Cmsn Sec'y to C. N. Steele, 7-7-80
22. Memo from J. Colgrove to Cmsn Sec'y, 7-3-80
23. Memo from C. N. Steele to Cmsn, 3-3-80

- end -



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

February 26, 1981

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Joseph P. Manners, Esquire  
General Counsel  
International Association of Machinists  
and Aerospace Workers  
1300 Connecticut Avenue, N.W.  
Washington, D.C. 20036

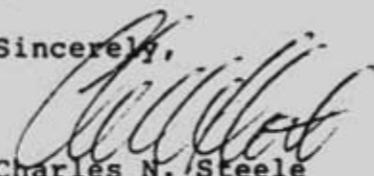
Re: MUR 994

Dear Mr. Manners:

This is to advise you of the action taken by the Commission in connection with the complaint, dated June 11, 1979, by which your organization alleged that Sandia Laboratories of Albuquerque, New Mexico, had violated the Federal Election Campaign Act of 1971, as amended.

On August 14, 1979, the Commission found reason to believe that Sandia had violated 2 U.S.C. §441b(b)(6). Pursuant to 11 C.F.R. §111.18(d), on February 19, 1981, the Commission voted to enter into a conciliation agreement with Sandia and to close its file in this matter. A copy of the conciliation agreement is enclosed for your information.

Sincerely,

  
Charles N. Steele  
General Counsel

VIC  
2/24/81

Enclosure

31010235539

12 947 (994) ✓

Form 3811, Jan. 1979

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. .... e

Show to whom, date and address of delivery. .... e

RESTRICTED DELIVERY  
Show to whom and date delivered. .... e

RESTRICTED DELIVERY.  
Show to whom, date, and address of delivery. \$ .....

(CONSULT POSTMASTER FOR FEES)

2. ARTICLE ADDRESSED TO:  
Susan S. Lewis, Esq.  
ATIT  
Washington, DC 20036

3. ARTICLE DESCRIPTION:

REGISTERED NO.	CERTIFIED NO.	INSURED NO.
	912956	

(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

Convers - Mr



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

February 20, 1981

Susan S. Lewis, Esq.  
American Telephone and  
Telegraph Company  
Suite 1000  
1120 20th Street, Northwest  
Washington, D. C. 20036

Dear Ms. Lewis:

This will acknowledge receipt of the proposed conciliation agreements which you submitted in behalf of American Telephone and Telegraph Company and Sandia Laboratories by letters dated January 13 and 26, 1981.

The Commission has considered those agreements and has voted to accept them. I am enclosing a signed copy of each conciliation agreement for your files. I note that Sandia must implement and comply with the terms of its agreement within thirty days.

Pursuant to 2 U.S.C. §437g(a)(4)(B)(i), no action by the Commission or any person, and no information derived, in connection with the conciliation of this matter will be made public without written consent of the respondents.

Sincerely,

A handwritten signature in cursive script, appearing to read "Charles N. Steele".

Charles N. Steele  
General Counsel

Enclosures

31710235517



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

Susan S. Lewis, Esq.  
American Telephone and  
Telegraph Company  
Suite 1000  
1120 20th Street, Northwest  
Washington, D. C. 20036

Dear Ms. Lewis:

This will acknowledge receipt of the proposed conciliation agreements which you submitted in behalf of American Telephone and Telegraph Company and Sandia Laboratories by letters dated January 13 and 26, 1981.

The Commission has considered those agreements and has voted to accept them. I am enclosing a signed copy of each conciliation agreement for your files. I note that Sandia must implement and comply with the terms of its agreement within thirty days.

Pursuant to 2 U.S.C. §437g(a)(4)(B)(i), no action by the Commission or any person, and no information derived, in connection with the conciliation of this matter will be made public without written consent of the respondents.

Sincerely,

Charles N. Steele  
General Counsel

Encls.

*Thomas J. White*

31710135541

81 JAN 28 AM : 13

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )  
 )  
Sandia Corporation )  
\_\_\_\_\_ )

MUR 994

CONCILIATION AGREEMENT

This matter was initiated on the basis of a signed, sworn, and notarized complaint filed with the Federal Election Commission (the "Commission"). The Commission conducted an investigation after finding reason to believe that respondent Sandia Corporation ("Sandia") violated 2 U.S.C. §441b(b)(6).

NOW, THEREFORE, the respondent Sandia Corporation and the Commission, the respective parties herein, having entered into the period of conciliation negotiations permitted by 11 C.F.R. §111.18(d), do hereby agree as follows:

1. Sandia agrees that the Commission has jurisdiction over Sandia and over the subject matter of this proceeding.
2. Sandia agrees that it has been afforded a reasonable opportunity to demonstrate that no action should be taken in this matter.
3. Sandia and the Commission agree that they are entering into this Agreement voluntarily and that, pursuant to 11 C.F.R.

3100235540

§111.18(d), this agreement has the same force and effect as a conciliation agreement reached pursuant to 2 U.S.C. §437g(a)(4) and that subject to the terms of paragraph 6, below, this conciliation agreement shall constitute a complete bar to any further action by the Commission, including the bringing of a civil proceeding under 2 U.S.C. §437g(a)(6)(A).

4. Sandia admits the following pertinent facts underlying this proceeding:

- a. Sandia is a corporation wholly owned by Western Electric Company.
- b. Western Electric Company utilizes the payroll deduction method for soliciting or facilitating the making of voluntary political contributions to its separate segregated fund in which Sandia employees do not participate.
- c. The Atomic Projects and Production Workers, Metal Trades Council, AFL-CIO (the "Council"), is a labor organization, some of whose members are employed by Sandia and represented therein by the Council.
- d. The Council on April 12, 1979, and on one prior occasion requested Sandia, in writing, to make a payroll deduction system available to the Council for the Council's use in facilitating the making of voluntary political contributions by its members employed at Sandia to the Council's separate segregated fund.

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- e. On February 15, 1979, and on April 20, 1979, Sandia refused to make a payroll deduction system available to the Council.

5. Sandia recognizes that, upon written demand, it is required by 2 U.S.C. §441b(b)(6) to make available to the Council a system of payroll deduction for the Council's use in soliciting, or in facilitating the making of, voluntary contributions to the Council's separate segregated fund. Sandia now agrees, after the Commission's finding of "reason to believe" and during a period of conciliation negotiations, that it will make available to the Council a system of payroll deduction for the Council's use in facilitating the making of voluntary political contributions to the Council's separate segregated fund by those Sandia employees who are members of and represented by the Council, subject to the reimbursement provisions of 2 U.S.C. §441b(b)(6).

6. Both parties to this conciliation agreement agree that the following GENERAL CONDITIONS govern this agreement:

- a. The Commission may, upon request of anyone filing a complaint pursuant to 2 U.S.C. §437g(a)(1) concerning the matters at issue herein or upon its own motion, review compliance with this agreement, and if the Commission believes that any of the requirements of this agreement have been violated, it may institute a civil action for relief in the United States District Court

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for the District of Columbia pursuant to the provisions of 2 U.S.C. §437g(a)(5)(D).

- b. Sandia shall have thirty (30) days from the effective date of this agreement to implement and comply with all requirements contained herein.
- c. This agreement shall become effective at the moment that both parties hereto have executed same and the Commission has approved the entire agreement.

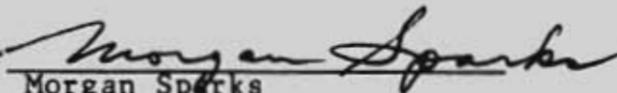
FEDERAL ELECTION COMMISSION

20 January 1981  
Date

  
\_\_\_\_\_  
Charles N. Steele  
General Counsel

SANDIA CORPORATION

JAN 21 1981  
Date

BY:   
\_\_\_\_\_  
Morgan Sparks  
ITS: President

3100013345

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )  
 )  
 ) MURs 947 and  
 ) 994  
American Telephone and )  
Telegraph Company )  
Sandia Laboratories )

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on February 19, 1981, the Commission decided by a vote of 4-0 to take the following actions regarding MURs 947 and 994:

1. Accept the conciliation agreement submitted by the American Telephone and Telegraph Company (Attachment 1b to the General Counsel's February 17, 1981 memorandum).
2. Accept the conciliation agreement submitted by Sandia Laboratories (Attachment 2b to the General Counsel's memorandum dated February 17, 1981).
3. Close the files in MUR 947 (AT&T) and MUR 994 (Sandia).
4. Authorize the General Counsel's Office to send the letter to counsel for the respondents (Attachment 3 to the General Counsel's February 17, 1981 memorandum).

Commissioners McGarry, Reiche, Thomson, and Tiernan voted affirmatively in this matter. Commissioner Aikens abstained.

Attest:

2/19/81

Date

Marjorie W. Emmons

Marjorie W. Emmons  
Secretary to the Commission

Received in Office of the Commission Secretary: 2-17-81, 11:31  
Circulated on 48 hour vote basis: 2-17-81, 4:00



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

MEMORANDUM TO: CHARLES STEELE *MWE*  
FROM: MARJORIE W. EMMONS/MARGARET CHANEY *mc*  
DATE: FEBRUARY 19, 1981  
SUBJECT: MURs 947 and 994 - Record of Vote

Attached is a copy of Commissioner Aikens' vote sheet with comments regarding her vote.

ATTACHMENT:  
Copy of Vote Sheet

317023517



FEDERAL ELECTION COMMISSION

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

81 FEB 19 3:34

Date and Time Transmitted: TUESDAY, 2-17-81  
4:00

Commissioner McGARRY, AIKENS, TIERNAN, THOMSON, REICHE, HARRIS

RETURN TO OFFICE OF COMMISSION SECRETARY BY: THURSDAY, FEBRUARY 19, 1981  
4:00

MUR No. 947 & 994 - Memorandum to the Commission dated 2-17-81

- ( ) I approve the recommendation
- ( ) I object to the recommendation

COMMENTS: Abstain

Date: 2-18-81 Signature: [Handwritten Signature]

A DEFINITE VOTE IS REQUIRED AND ALL SHEETS SIGNED AND DATED.  
PLEASE RETURN ONLY THE VOTE SHEETS TO THE OFFICE OF THE  
COMMISSION SECRETARY NO LATER THAN THE DATE AND TIME SHOWN  
ABOVE.

3101023549



February 17, 1981

MEMORANDUM TO: Marjorie W. Emmons

FROM: Elissa T. Garr

SUBJECT: MURs 947 and 994

Please have the attached Memo to the Commission distributed to the Commission on a 48 hour tally basis.

Thank you.

Attachments

pakayson

cc: Convery

3101023349

Re: monet file  
MUR 994



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

February 13, 1981

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Joseph P. Manners, Esq.  
General Counsel  
International Association of Machinists  
and Aerospace Workers,  
1300 Connecticut Avenue, N.W.  
Washington, D.C. 20036

Dear Mr. Manners:

This is in response to your January 22, 1981, letter to Chairman McGarry regarding Sandia Laboratories.

2 U.S.C. §437g(a)(12)(A) imposes a strict confidentiality requirement upon the Commission with regard to investigations of possible violations of the Federal Election Campaign Act. Our standard practice, which we intend to follow in this matter, is to notify the complainant only after the Commission has taken final action on a complaint.

Sincerely,

*Charles N. Steele*  
Charles N. Steele  
General Counsel

317177550

MUR 994 ✓

1. The following services is requested (check one):  
 Show to whom and date delivered.  
 RESTRICTED DELIVERY  
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 Show to whom, date, and address of delivery.

2. ADDRESSEE TO WHOM DELIVERED:  
 J.P. Manners, Esq.  
 IANAW  
 Washington, DC

3. POSTAGE PAID BY ADDRESSEE:  
 \$39.846

4. DATE OF DELIVERY:  
 2-18-81

5. POSTAGE PAID BY ADDRESSEE:  
 DC - 106 - 2207110

6. POSTAGE PAID BY ADDRESSEE:  
 Convery - 06C

7. POSTAGE PAID BY ADDRESSEE:  
 FEB 18 1981

8. POSTAGE PAID BY ADDRESSEE:  
 2-18-81

9. POSTAGE PAID BY ADDRESSEE:  
 RETURN RECEIPT REQUESTED

VJC  
1/27/81



REC-3799

#76

RECEIVED  
OFFICE OF THE  
**INTERNATIONAL ASSOCIATION of MACHINISTS  
and AEROSPACE WORKERS**

31 JAN 26 11:08

MACHINISTS BUILDING, 1300 CONNECTICUT AVENUE, WASHINGTON, D. C. 20030

Office of the  
GENERAL VICE-PRESIDENT

Area Code 202  
857-8200

January 22, 1981

Re: Sandia Laboratories

MUR 994  
CONVERY

JAN 26 1981

The Honorable John W. McGarry  
Chairman  
Federal Election Commission  
1325 K Street, N.W.  
Washington, D.C. 20463

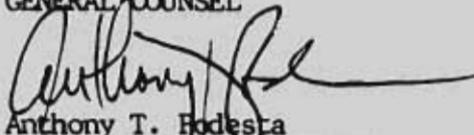
Dear Chairman McGarry:

On June 11, 1979, the International Association of Machinists and Aerospace Workers filed a complaint with the Commission alleging that Sandia Laboratories was violating the Federal Election Campaign Act, in particular Section 441b.(b)6. On June 15, 1979, Assistant General Counsel Ponder informed us that a recommendation would be made to the Commission shortly on this complaint. On October 17, 1979, we were informed by General Counsel Oldaker that the Commission had not yet taken final action on this case. We understand from correspondence directly with Sandia that Sandia responded to the complaint on September 5, 1979.

While 1980 was an election year and we understand that the Commission was occupied intensively with matters relating to the federal elections in that year, we would appreciate it if the Commission could make inquiries into the status of the instant complaint and, if possible, to take action as soon as possible.

Respectfully submitted,

Jos. P. Manners  
GENERAL COUNSEL

By:   
Anthony T. Podesta  
ASSISTANT GENERAL COUNSEL

ATP/rja

cc: Carter  
Holayter  
Gabel



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

MEMORANDUM TO: CHARLES STEELE *MWE*  
FROM: MARJORIE W. EMMONS/MARGARET CHANEY *m*  
DATE: MAY 12, 1980  
SUBJECT: MUR 994 - Interim Investigative Report #2,  
dated 5-8-80; Received in OCS 5-9-80,  
10:24

The above-named document was circulated to the Commission on a 24 hour no-objection basis at 2:00, Friday, May 9, 1980.

There were no objections to the Interim Investigative Report at the time of the deadline.

31040275552

May 9, 1980

MEMORANDUM TO: Marjorie W. Emmons  
FROM: Elissa T. Garr  
SUBJECT: MUR 994

Please have the attached Interim Invest Report  
distributed to the Commission. Thank you.

3171927553

RECEIVED  
OFFICE OF THE  
GENERAL SECRETARY

BEFORE THE FEDERAL ELECTION COMMISSION

80 MAY 9 AIO: 24

In the Matter of )  
 ) MUR 994  
Sandia Corporation )

INTERIM INVESTIGATIVE REPORT #2

Sandia Corporation is a wholly-owned subsidiary of Western Electric Company which, in turn, is a wholly-owned subsidiary of American Telephone and Telegraph Company ("AT&T"). AT&T is the respondent in MUR 947, a matter involving precisely the same issue involved herein, namely whether 2 U.S.C. § 441b(b)(6) requires that a corporation utilizing a method of soliciting voluntary contributions or facilitating the making of voluntary contributions must make the method available, upon written request, to a union representing members working for the corporation, its subsidiaries, or affiliates. This Office has filed its brief in MUR 947 recommending that the Commission find probable cause to believe that AT&T violated 2 U.S.C. § 441b(b)(6) for failing to make available to the Communication Workers of America ("CWA") a payroll deduction method throughout itself, its subsidiaries and affiliates, i.e., the entire Bell System. CWA had made such a request of AT&T and filed its complaint with the Commission after AT&T refused to make the method available throughout the Bell System.

AT&T's counsel and this Office have been in communication; indeed, AT&T has filed a motion to extend time to respond to the General Counsel's Brief, and we have recommended such extension.

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AT&T's counsel has advised us that a "check-off" system will be made available throughout the system to any and all unions so requesting. This, we believe, will resolve the problem in both matters (MUR 947 and the instant MUR). This Office will have a further report within two weeks.

8 May 1980  
Date

  
\_\_\_\_\_  
Charles N. Steele  
General Counsel

31010235355

MUR 994



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

October 17, 1979

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Mr. Greg Denier  
Special Assistant to General Counsel  
International Association of Machinists  
and Aerospace Workers  
1300 Connecticut Avenue, N.W.  
Washington, D.C. 20036

Dear Mr. Denier:

This will acknowledge receipt of the letter dated September 26, 1979, by which you inquired into the status of the complaint you filed with the Commission against Sandia Corporation.

Our standard procedure, which we intend to follow in this matter, is to notify the complainant only after the Commission has taken final action in a case. Until then, we are bound by the confidentiality provisions of 2 U.S.C. § 437g(a) (3) (B).

Sincerely,

William C. Oldaker

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

**MUR 994**

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

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 Show to whom, date, and address of delivery  
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 RESTRICTED DELIVERY  
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2. ARTICLE ADDRESSED TO:  
Greg Denier

3. ARTICLE DESCRIPTION:  
REGISTERED NO. 943108  
CERTIFIED NO. 11  
INSURED NO. 49

(Always obtain signature of addressee or agent)  
 I have received the article described above.  
 SIGNATURE  Addressee  Authorized agent

4. ADDRESS (Complete only if requested)  
 Date: OCT 22 1979  
 Signature: [Handwritten Signature]

5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE:

POSTMARK: WASHINGTON ST. STATION, WASH. DC, OCT 22 1979

ST-970 1977-0-249-995



300#  
11005

RECEIVED  
**INTERNATIONAL ASSOCIATION OF MACHINISTS**  
**and AEROSPACE WORKERS**

170 SEP 27 PM 12:18  
MACHINISTS BUILDING, 1300 CONNECTICUT AVENUE, WASHINGTON, D. C. 20036

Office of the  
GENERAL VICE-PRESIDENT

Area Code 202  
857-5200

September 26, 1979

MUR 994

William C. Oldaker, Esquire  
General Counsel  
Federal Election Commission  
1325 K Street, N.W.  
Washington, D.C. 20463

Dear Mr. Oldaker:

On June 11, 1979, the International Association of Machinists and Aerospace Workers filed a complaint with the Federal Election Commission concerning the refusal of Sandia Corporation to comply with Section 441b.(b)(6) of the Federal Election Campaign Act. As it has been over three months since we originally filed the complaint and the law requires the Commission to act within 90 days, we would like to be advised of the status of the case. We feel the Commission has had ample opportunity to make a determination in this matter. The continued refusal of Sandia to comply with federal law has severely restricted the ability of the IAM and its members at Sandia Corporation to participate in the fundraising efforts of the Machinists Non-Partisan League. We would appreciate it if the Commission would act expeditiously to insure the rights of the IAM and its members as provided for in the Federal Election Campaign Act.

Your prompt attention to this matter would be greatly appreciated.

Sincerely,

Greg Denier  
SPECIAL ASSISTANT TO  
GENERAL COUNSEL

GD/rja

3171015333  
MACHINISTS BLDG., 1300 CONNECTICUT AVE., WASHINGTON, D.C. 20004

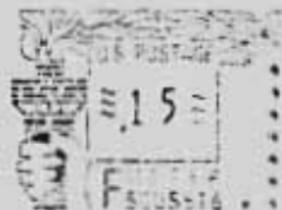
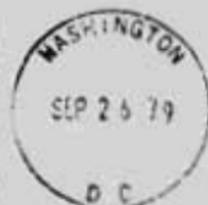
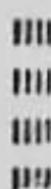


**INTERNATIONAL  
ASSOCIATION  
OF MACHINISTS  
AND AEROSPACE  
WORKERS**

81:21 11 17 1983 61

RECEIVED  
MACHINISTS BLDG.  
SEP 26 1979

OFFICE OF THE  
INTERNATIONAL PRESIDENT



William C. Oldaker, Esquire  
General Counsel  
Federal Election Commission  
1325 K Street, N.W.  
Washington, D.C. 20463

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OF  
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11066

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FEDERAL ELECTION COMMISSION

Sandia Laboratories

Albuquerque, New Mexico 87115

79 SEP 11

RECEIVED  
SEP 11 4:21

September 5, 1979

CERTIFIED MAIL - RETURN RECEIPT

William C. Oldaker, Esq.  
General Counsel  
Federal Election Commission  
1325 K Street, NW  
Washington, D. C. 20469

Re: MUR 994

Dear Mr. Oldaker:

I am in receipt of your letter dated August 22, 1979 stating that a complaint under the Federal Election Campaign Act of 1971, as amended, ("the Act") has been "filed by Conrado Otero, President of the Metal Trades Council, AFL-CIO" and inviting me to "forward...any information that may be relevant to the Commission's inquiry into this matter." Although a copy of the Otero complaint is purported to be attached to your letter, the only document enclosed in the letter that I received is a complaint signed by Mr. Greg Denier of the International Association of Machinists and Aerospace Workers, who purports therein to speak for both the IAM and the Metal Trades Council. Moreover, the Denier complaint refers to, but does not include, a number of attachments apparently furnished to the Commission. Notwithstanding the fact that it is exceedingly difficult to respond fully to a partially obscure claim, I will address myself to the issues raised by your letter as best I can under the circumstances.

Sandia Corporation ("Sandia") was incorporated in Delaware on October 5, 1949 at the behest of the government as a wholly-owned subsidiary of the Western Electric Company. As its sole business, Sandia operates the Department of Energy's Sandia Laboratories in Albuquerque, New Mexico and Livermore, California and otherwise "acts as an agent for and on behalf of the DOE for certain purposes" on a no-fee, no-profit basis pursuant to a multi-year prime contract between Western Electric and the United States Government which was executed October 4, 1949 and which has been extended ever since at roughly five-year intervals by further agreement of the parties. The current extension agreement was signed January 25, 1979 and will, unless further extended, expire September 30, 1983. Under the provisions of that agreement, "all costs and expenses incurred by Sandia" are reimbursed by the government unless resulting from the "willful misconduct or bad faith" of a corporate officer. Aside from \$1,000 of paid-in capital, Sandia has no assets of its own and the hundreds of millions of dollars in facilities, equipment and supplies it uses are entirely owned by the United States. Pursuant to

September 5, 1979

Sandia's prime contract the government may at any time terminate the agreement on ninety days' notice and purchase all Sandia's stock upon payment to Western Electric of the paid-in capital. Sandia neither owns nor controls any subsidiary or other corporation.

Sandia currently employs approximately 6,500 individuals at Albuquerque (including a relative handful of employees stationed at a government test range in Tonopah, Nevada) and an additional 1,000 employees at Livermore. The Atomic Projects and Production Workers, Metal Trades Council, AFL-CIO, is the collective bargaining representative of 851 production and maintenance employees at Albuquerque but it does not represent any employees at Livermore or Tonopah. The International Association of Machinists and Aerospace Workers, District Lodge No. 115, AFL-CIO, on the other hand, is the collective bargaining representative for 22 machinists employed at Livermore but it represents no Sandia employees elsewhere.

Sandia has not established and does not utilize a method of soliciting, or facilitating the making of, voluntary contributions to a segregated fund to be utilized for political purposes. In addition, Sandia employees are not eligible to participate in any such fund established by American Telephone and Telegraph Company, Western Electric, or any other Bell System company, and Sandia has not solicited or administered contributions into any such fund. It is my understanding that those companies of the Bell System that have established political action committees under the Act have registered them separately with the Commission. Sandia has neither established such a committee nor endeavored to register one.

Late last year, I was handed an undated letter by Mr. Otero, writing solely on behalf of the Metal Trades Council, in which he requested that Sandia "make available to us the methods of soliciting voluntary contributions or facilitating the making of voluntary contributions utilized by the corporation including its subsidiaries, branches, divisions and affiliates." Thereafter I met with Mr. Otero and other officials of his union and then followed up our conversations with a letter dated February 15, 1979, in which I informed the Metal Trades Council that Sandia "does not have a political action committee and, therefore, has not established a method of soliciting voluntary contributions or facilitating the making of voluntary contributions to any political action committee for its administrative or executive employees." I also stated that while Western Electric has established a political action committee, that committee "does not cover Sandia employees." Finally, I assured Mr. Otero that "[i]f the Laboratories should create a PAC in the future, the Council will be so advised."

In response to my letter, Mr. Otero wrote to me on April 12, 1979, again on behalf of the Metal Trades Council alone, to

September 5, 1979

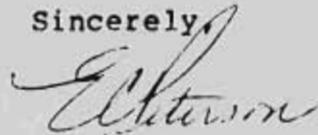
"mak[e] a formal demand on Sandia Corporation for the establishment of a check-off for political funds." In that second letter, Mr. Otero directed my attention to section 114.5(k)(1) of the Commission's regulations but otherwise stated nothing which had not been contained in our earlier correspondence. I wrote back on April 20 reiterating the fact that Sandia "has not established a political action committee or a wage deduction system for political contributions" and advising the Metal Trades Council that Sandia would, therefore, not establish a contribution check-off system for its members.

I have never received, either orally or in writing, a request for or on behalf of the IAM with respect to the matters encompassed by the Act and accordingly have neither declined such a request nor had an occasion to state Sandia's position with regard thereto. (It would be reasonable to conclude, however, that any such request would be handled no differently from one made by Mr. Otero.)

It is Sandia's position that section 441(b)(6) of the Act cited in your letter does not require a corporation to make available to its unions a method of selecting or facilitating the making of voluntary political contributions where, as in our case, the corporation has not established and does not utilize any such method for its stockholders or its executive and administrative personnel. In our view, before Sandia or any other employer is under a legal duty to make such a method available to its unions, it must itself establish or utilize a method for the solicitation of political contributions. It is also Sandia's position that with respect to the IAM, no violation of the Act can be said to have occurred for the simple reason that that union has never sought--and hence has never been denied--an opportunity to have made available to it a method of collecting contributions from its Sandia members.

In view of the foregoing, we respectfully submit that the complaint against Sandia is without any merit and should be dismissed and these proceedings terminated.

Sincerely,



E. C. Peterson  
Labor Relations Manager

ECP:jao

3 1 0 4 0 1 7 7 3 6 2



**Sandia Laboratories**

**E. C. Peterson - 3450**

Albuquerque, New Mexico 87185



CERTIFIED MAIL -  
RETURN RECEIPT REQUESTED

79 SEP 10 PM 6L

William C. Oldaker, Esq.  
General Counsel  
Federal Election Commission  
1325 K Street, N.W.  
Washington, D.C. 20469

RECEIVED  
FEDERAL ELECTION  
COMMISSION



FEDERAL ELECTION COMMISSION

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

August 22, 1979

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Mr. E. C. Peterson  
Labor Relations Manager  
Sandia Laboratories  
P.O. Box 5800  
Albuquerque, New Mexico 87185

RE: MUR 994

Dear Mr. Peterson:

This is to advise you that a complaint alleging a violation of the Federal Election Campaign Act of 1971, as amended, (the "Act") by the Sandia Corporation has been filed with the Commission. A copy of the complaint, which was filed by Conrado Otero, President of the Metal Trades Council, AFL-CIO, is attached.

After considering the information contained in the complaint, and in the attachments thereto, the Commission found reason to believe that Sandia Corporation may have violated 2 U.S.C. §441b(b)(6). That statute requires that:

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

The Commission's finding is based specifically on Sandia's failure to make available to Metal Trades Council, the payroll deduction method for the making of voluntary contributions that is utilized in several AT&T subsidiaries, although not at the Sandia Corporation.



Under the Commission interpretation of 2 U.S.C. §441b (b) (6), since some subsidiaries of AT&T utilize a method of soliciting voluntary contributions, the Sandia Corporation, also a subsidiary of AT&T, must make the method available to the labor organization representing any members working for the corporation.

Under the Act, you have the opportunity to demonstrate that no further action should be taken by the Commission. In this regard, you should forward, within ten days of your receipt of this letter, any information that may be relevant to the Commission's inquiry into this matter. Where applicable, such information should be submitted in notarized form.

If you have any questions, please contact Duane A. Brown, the attorney assigned to this matter, at (202)523-4057.

Sincerely,

*William C. Oldaker*

William C. Oldaker  
General Counsel

Enclosure

3171023354

*MU 994 - D. Brown*

SENDER: Complete items 1, 2, and 3. Add your address in the "RETURNS TO" section on the back.

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:  
*E. C. Peterson*

3. ARTICLE DESCRIPTION: REGISTERED NO. *94364* CERTIFIED NO. INSURED NO.

(Always obtain signature of addressee or agent)

I have received the article described above.  
 SIGNATURE *E. Peterson*  Addressee  Authorized agent

4. DATE OF DELIVERY *8/27/79* POSTMARK

5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE: CLERK'S INITIALS

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

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Mr. E. C. Peterson  
Labor Relation Manager  
Sandia Laboratories  
P.O. Box 5800  
Albuquerque, New Mexico 87185

RE: MUR 994

Dear Mr. Peterson:

This is to advise you that a complaint alleging a violation of the Federal Election Campaign Act of 1971, as amended, (the "Act") by the Sandia Corporation has been filed with the Commission. A copy of the complaint, which was filed by Conrado Otero, President of the Metal Trade Council, AFL-CIO, is attached.

After considering the information contained in the complaint, and in the attachments thereto, the Commission found reason to believe that Sandia Corporation may have violated 2 U.S.C. §441b(b)(6). That statute requires that:

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

The Commission's finding is based specifically on Sandia's failure to make available to Metal Trade Council, the payroll deduction method for the making of voluntary contributions that is utilized in several AT&T subsidiaries, although not at the Sandia Corporation.

Under the Commission interpretation of 2 U.S.C. §441b (b)(6), since some subsidiaries of AT&T utilize a method of soliciting voluntary contributions, the Sandia Corporation, also subsidiary of AT&T, must make the method available to the labor organization representing any members working for the corporation.

Under the Act, you have the opportunity to demonstrate that no further action should be taken by the Commission. In this regard, you should forward, within ten days of your receipt of this letter, any information that may be relevant to the Commission's inquiry into this matter. Where applicable, such information should be submitted in notarized form.

If you have any questions, please contact Duane A. Brown, the attorney assigned to this matter, at (202)523-4057.

Sincerely,

William C. Oldaker  
General Counsel

*WCO* 8/20/9

Enclosure

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )  
 )  
Sandia Laboratories )

Mr 994

CERTIFICATION

I, Lena L. Stafford, Recording Secretary at the Executive Session of the Federal Election Commission on August 14, 1979, do hereby certify that the Commission determined by a vote of 4-2 to approve the recommendation of the General Counsel, as set forth in the First General Counsel's Report dated July 10, 1979, to take the following actions in the above-named matter:

1. Find reason to believe that the Sandia Corporation violated 2 U.S.C. §441b(b)(6).
2. Send the appropriate letter.

Commissioners Harris, McGarry, Reiche, and Tiernan voted in the affirmative. Commissioners Aikens and Friedersdorf dissented.

Attest:

8/20/79

Date

Lena L. Stafford

Lena L. Stafford  
Recording Secretary

3101023557



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

MEMORANDUM TO: CHARLES STEELE  
FROM: MARJORIE W. EMMONS *MJE*  
DATE: JULY 19, 1979  
SUBJECT: OBJECTION - MUR 994 - First General Counsel's  
Report dated 7-16-79; Received  
in OCS 7-16-79, 4:52

The above-named document was circulated on a 48  
hour vote basis at 11:00, July 17, 1979.

Commissioner Friedersdorf submitted an objection at  
12:24, July 19, 1979, thereby placing MUR 994 on the  
Executive Session for July 26, 1979.

3101023559

July 16, 1979

MEMORANDUM TO: Marge Emmons  
FROM: Elissa T. Garr  
SUBJECT: MUR 994

Please have the attached First GC Report on MUR 994 distributed to the Commission on a 48 hour tally basis!

Thankyou.

3171027357

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

RECEIVED  
OFFICE OF THE  
SECRETARY

FIRST GENERAL COUNSEL'S REPORT P 4: 52  
79 JUL 16

DATE AND TIME OF TRANSMITTAL JUL 16 1979  
BY OGC TO THE COMMISSION \_\_\_\_\_

MUR NO. 994  
DATE COMPLAINT RECEIVED  
BY OGC 6-14-79  
STAFF  
MEMBER Duane Brown

COMPLAINANT'S NAME: International Association of Machinists and  
Aerospace Workers (IAM) AFL-CIO  
Atomic Projects and Production Workers, Metal  
Trades Council, AFL-CIO  
RESPONDENT'S NAME: Sandia Laboratories (subsidiary of AT&T)

RELEVANT STATUTE: 2 U.S.C. §441b(b)(6)  
11 C.F.R. 114.5(k)

INTERNAL REPORTS CHECKED: None

FEDERAL AGENCIES CHECKED: None

SUMMARY OF ALLEGATIONS

Complainants allege that the respondent, Sandia Laboratories, violated section 441b(b)(6) of the Act (and the related Regulation, 11 C.F.R. §114.5(k)) by refusing to make available to the complainants the use of the "check-off" method for facilitating the making of voluntary contributions to the complainant labor organization's separate segregated funds. Sandia Laboratories is a subsidiary of AT&T which has subsidiaries utilizing a "check off" system to solicit contributions for their political action committees. The International Association of Machinists and Aerospace Workers (IAM) AFL-CIO, and the Atomic Projects and Production Workers, Metal Trades Council, AFL-CIO, are labor organizations representing employees at Sandia.

DISCUSSION

The issue raised by the complainants is whether any single subsidiary of a corporation which has subsidiaries that use a particular method of soliciting voluntary contributions, must make that method available to labor organizations representing members employed by such subsidiary, even if that particular subsidiary does not itself use the method?

31010235370

2 U.S.C. §441b(b) (6) provides as follows:

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

Attachment 3 is a copy of a letter dated April 12, 1979, written on behalf of the complainants to the Sandia Corporation by Conrado Otero, President of the Metal Trades Council. By that letter, the complainants requested Sandia to provide the Council with the "check-off" system of soliciting voluntary contributions. Although Sandia itself has not established a method of soliciting voluntary contributions, other subsidiaries of AT&T have set up such systems (e.g the Mountain State Telephone and Telegraph Company) (Attachment 3a). Thus, if a subsidiary of a parent corporation which has certain subsidiaries utilizing a method of soliciting voluntary contributions or facilitating the making of voluntary contributions, then all subsidiaries of the corporation are deemed to be utilizing that method, and the subsidiary not utilizing that method must make the method available to a labor organization representing any members working for the subsidiary not utilizing that method.

The Commission previously entertained an almost identical issue in MUR 947 where it was determined that the parent corporation (AT&T) of a subsidiary which itself did not have a payroll deduction method for the making of voluntary contributions, must make the system available, at cost, to the labor organization representing members working for the subsidiary.

#### CONCLUSION

Since certain subsidiaries of the American Telephone and Telegraph Company utilize the payroll deduction ("check-off") method for facilitating the making of voluntary contributions, then Sandia Corporation, itself a subsidiary of AT&T must make that method available, at cost, to the labor organization representing members working for the subsidiary.

The Sandia Corporation, by its April 20, 1979, letter to the President of the Metal Trades Council, failed to do so. (Attachment 3b).

RECOMMENDATION

1. Find reason to believe that the Sandia Corporation violated 2 U.S.C. §441b(b) (6).
2. Send the appropriate letter.

Attachments

1. Letter to E.C. Peterson
2. PAC Allotment Authorization
3. Letter to Conrado O. Otero
4. Complaint

31010135370



FEDERAL ELECTION COMMISSION

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

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Mr. E. C. Peterson  
Labor Relations Manager  
Sandia Laboratories  
P.O. Box 5800  
Albuquerque, New Mexico 87185

RE: MUR 994

Dear Mr. Peterson:

This is to advise you that a complaint alleging a violation of the Federal Election Campaign Act of 1971, as amended, (the "Act") by the Sandia Corporation has been filed with the Commission. A copy of the complaint, which was filed by Conrado Otero, President of the Metal Trades Council, AFL-CIO, is attached.

After considering the information contained in the complaint, and in the attachments thereto, the Commission found reason to believe that Sandia Corporation may have violated 2 U.S.C. §441b(b)(6). That statute requires that:

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

The Commission's finding is based specifically on Sandia's failure to make available to Metal Trades Council, the payroll deduction method for the making of voluntary contributions that is utilized in several AT&T subsidiaries, although not at the Sandia Corporation.



Under the Commission interpretation of 2 U.S.C. §441b (b) (6), since some subsidiaries of AT&T utilize a method of soliciting voluntary contributions, the Sandia Corporation, also a subsidiary of AT&T, must make the method available to the labor organization representing any members working for the corporation.

Under the Act, you have the opportunity to demonstrate that no further action should be taken by the Commission. In this regard, you should forward, within ten days of your receipt of this letter, any information that may be relevant to the Commission's inquiry into this matter. Where applicable, such information should be submitted in notarized form.

If you have any questions, please contact Duane A. Brown, the attorney assigned to this matter, at (202)523-4057.

Sincerely,

William C. Oldaker  
General Counsel

Enclosure

April 12, 1979

Mr. E. C. Peterson  
Labor Relations Manager  
Sandia Laboratories  
P. O. Box 5800  
Albuquerque, New Mexico 87185

Dear Mr. Peterson:

Reference is made to your letter of February 15, 1979, in which you state that since Sandia Corporation does not have a method of deduction for political contributions, you are denying the Metal Trades Council's request for such a deduction.

Please be advised that it is our interpretation of the law that if a corporation has a wage deduction system in place and is using it for contributions to their political action committee any place in that corporation, the corporation must make the same method available to the Union upon written request.

For your information in this regard we are relying on the language found in Section 114.5, paragraph (k), subparagraph (l) of the law.

Once again the Metal Trades Council is making a formal demand on Sandia Corporation for the establishment of a check-off for political funds.

Sincerely,

Conrado A. Otero  
President

CAO:ch  
opeiu 251, afl-cio

**MOUNTAIN BELL FEDERAL POLITICAL ACTION COMMITTEE ALLOTMENT AUTHORIZATION**

PLEASE PRINT

NAME (Last, First, MI)

Social Sec.

Payrol No.

CHECK ONE

NEW

I have elected to participate in the designated Federal Political Action Committee by contributing \$\_\_\_\_\_ per month, or \$\_\_\_\_\_ by direct bill, such contribution to be made (check block below):

- By payroll allotment (\$5.00 minimum monthly allotment, in \$1.00 increments)
- By Check (\$5.00 minimum)
- By cash (\$5.00 minimum, but not to exceed \$100)

I direct that my contribution be:

- Disbursed by the Designated Federal PAC at its discretion.
- Disbursed by the designated Federal PAC as specified by a "Designation of Recipient" card (Form 8292).

I understand that if I do not designate these funds by June 30 and December 31 of every year, they will be disbursed at the committee's discretion.

I designate the following authorized Federal Political Action Committee to be the recipient of my contribution:  
 Mountain Bell Employee Active Citizenship Program

CHANGE

Change my existing monthly payroll allotment to the new amount of \$\_\_\_\_\_

CANCEL

Cancel my Federal PAC allotment effective for the month following that in which my cancellation is received by the Company.

FORWARD TO:  
 DESIGNATED  
 FEDERAL  
 PAC FINANCE  
 COMMITTEE

Signature \_\_\_\_\_ Date \_\_\_\_\_ Work Location City \_\_\_\_\_  
 Residence Address \_\_\_\_\_ Occupation \_\_\_\_\_  
 Note: A copy of our report is filed with the Federal Election Commission and is available for purchase from the Federal Election Commission, Washington, D. C.

FILE: AT+T  
 ATTACHMENT 3a

31040275575

ATTACHMENT 36

Sandia Laboratories

Albuquerque, New Mexico 87115

April 20, 1979

Mr. Conrado O. Otero, President  
Atomic Projects and Production Workers  
Metal Trade Council, AFL-CIO  
7713 Zuni, SE  
Albuquerque, New Mexico 87108

Dear Mr. Otero:

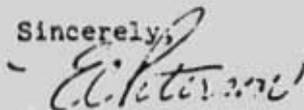
This is in reply to your letter of April 12, 1979 repeating an earlier request that we permit the Council a check-off for political contributions. Your letter states that it is your interpretation of the Federal Election Campaign Act Amendments of 1976 that

"...if a corporation has a wage deduction system in place and is using it for contributions to their political action committee any place in that corporation, the corporation must make the same method available to the Union upon written request."

Notwithstanding your interpretation, the fact is that Sandia Corporation has not established a political action committee or a wage deduction system for political contributions. Accordingly, we are not obligated to accede to your request that a contribution check-off system be implemented for your members.

We will, of course, advise you if a political action committee covering Sandia employees is ever established and consider your request at that time.

Sincerely,



E. C. Peterson  
Labor Relations Manager

ECP:3450:mc

31010273377



any members working for such corporation, its subsidiaries, branches, divisions, and affiliates"

Furthermore, Section 114.5 (k)(1) of the Federal Election Commission Regulations states:

"If a corporation, including its subsidiaries, branches, divisions, or affiliates utilizes a payroll deduction plan, checkoff system, or other plan which deducts contributions from the dividend or payroll checks of stockholders or executive or administrative personnel, the corporation shall, upon written request of the labor organization, make that method available to members of the labor organization working for the corporation, its subsidiaries, branches, divisions, or affiliates, who wish to contribute to the separate segregated fund of the labor organization representing any members working for the corporation or any of its subsidiaries, branches, divisions, or affiliates. The corporation shall make the payroll deduction plan available to the labor organization at a cost sufficient only to reimburse the corporation for the actual expenses incurred thereby."

Sandia Corporation was contacted in writing, requesting that the "check-off" system be made available to the labor organizations representing members at Sandia. The request was denied (see attachment 3). As Sandia is a subsidiary of A T and T, and as other subsidiaries of A T and T utilize a "check-off" system, it is obvious that Sandia's refusal to extend the "check-off" to the appropriate labor organizations is a violation of the Act and the Regulations.

We request that the Commission take the appropriate action to insure Sandia's compliance with the Act and the Regulations.

This complaint is not being filed on behalf of, or at the suggestion of, any candidate for federal office.

I swear that all statements contained in this complaint are true to the best of my knowledge.

Respectfully submitted,

*Greg Denier*

Greg Denier  
SPECIAL ASSISTANT TO THE GENERAL COUNSEL

GD/mb  
Attoch.

Director of Columbia  
Subscribed and sworn to before

me this 11 day of

June 1979

*Thomas W. Thomas*  
Notary Public

My Commission Expires January 1, 1987

3104023379

BELL SYSTEM PAC's

<u>Company Name</u>	<u>Address</u>
American Telephone Political Action Committee	195 Broadway New York, New York 10007
Ohio Bell Federal Political Action Committee	100 Erieview Plaza, Rm. 1400 Cleveland, Ohio 44114
Indiana Bell Political Action Committee	240 N. Meridian Street Indianapolis, Indiana 46204
Pacific Northwest Bell Employee Public Interest Committee	1600 Bell Plaza, Rm. 3105 Seattle, Washington 98191
Western Electric Political Action Committee	222 Broadway New York, New York 10038
Michigan Bell Political Action Committee	444 Michigan Avenue Detroit, Michigan 48226
Pacific Telephone Federal Political Action Committee	140 New Montgomery Street San Francisco, California 94105
Bell of Pennsylvania Political Action Committee	One Parkway Philadelphia, Pennsylvania 19102
Diamond State Telephone Company Political Action Committee	One Parkway Philadelphia, Pennsylvania 19102
Cincinnati Bell Federal Political Action Committee	225 East Fourth Street Cincinnati, Ohio 45202
Mountain Bell Employee Active Citizenship Program	931 Fourteenth Street Denver, Colorado 80202
Wisconsin Telephone Company Federal Political Action Committee WIS-FEDPAC	722 North Broadway Milwaukee, Wisconsin 53202
C&P Federal Political Action Committee	1710 'H' Street, NW Washington, DC 20006
New England Telephone Federal Political Action Committee	185 Franklin Street Boston, Massachusetts 02107
South Central Bell Federal Political Action Committee	600 North 19th Street Birmingham, Alabama 35203

3101023599



FEDERAL ELECTION COMMISSION

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

992  
June 15, 1979

Mr. Greg Denier  
Special Assistant to the General  
Counsel  
International Association of  
Machinists and Aerospace Workers  
Machinists Building  
1300 Connecticut Avenue, N.W.  
Washington, D.C. 20036

Dear Mr. Denier:

This is to acknowledge receipt of your complaint of June 11, 1979, alleging violations of the Federal Election Campaign Laws. A staff member has been assigned to analyze your allegations and a recommendation to the Federal Election Commission as to how this matter should be handled will be made shortly. You will be notified as soon as the Commission determines what action should be taken. For your information, we have attached a brief description of the Commission's preliminary procedures for the handling of complaints.

Sincerely,

A handwritten signature in cursive script, appearing to read "Hal Ponder", is written over the typed name.

Hal Ponder  
Assistant General Counsel

Enclosure



any members working for such corporation, its subsidiaries, branches, divisions, and affiliates"

Furthermore, Section 114.5 (k)(1) of the Federal Election Commission Regulations states:

"If a corporation, including its subsidiaries, branches, divisions, or affiliates utilizes a payroll deduction plan, checkoff system, or other plan which deducts contributions from the dividend or payroll checks of stockholders or executive or administrative personnel, the corporation shall, upon written request of the labor organization, make that method available to members of the labor organization working for the corporation, its subsidiaries, branches, divisions, or affiliates, who wish to contribute to the separate segregated fund of the labor organization representing any members working for the corporation or any of its subsidiaries, branches, divisions, or affiliates. The corporation shall make the payroll deduction plan available to the labor organization at a cost sufficient only to reimburse the corporation for the actual expenses incurred thereby."

Sandia Corporation was contacted in writing, requesting that the "check-off" system be made available to the labor organizations representing members at Sandia. The request was denied (see attachment 3). As Sandia is a subsidiary of A T and T, and as other subsidiaries of A T and T utilize a "check-off" system, it is obvious that Sandia's refusal to extend the "check-off" to the appropriate labor organizations is a violation of the Act and the Regulations.

We request that the Commission take the appropriate action to insure Sandia's compliance with the Act and the Regulations.

This complaint is not being filed on behalf of, or at the suggestion of, any candidate for federal office.

I swear that all statements contained in this complaint are true to the best of my knowledge.

Respectfully submitted,

*Greg Denier*

Greg Denier  
SPECIAL ASSISTANT TO THE GENERAL COUNSEL

District of Columbia

Subscribed and sworn to before

me this 11<sup>th</sup> day of

June, 1979

*James H. Thomas, Jr.*  
Notary Public

My Commission Expires January 4, 1987

GD/ab  
attach.

31740235593

# Directory of Corporate Affiliations

1979

Who Owns Whom - listing of parent, subsidiary and affiliate companies

3  
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Volume Register of Companies

**AMERICAN TECHNICAL INDUSTRIES INC.**

2v Elm Ave., Mt. Vernon, NY 10550  
 Tel.: 914-868-9305 NY  
 ATM—(ASE)  
 Approx. Sls.: \$35,000,000 Emp.: 700  
 Mfr. of Machinery, Machine Parts & Artificial Christmas Trees  
 Warren Novick (Chm. Bd.)  
 Harry Gantz (Pres.)  
 Irwin Katz (Treas. & V.P.-Fin.)  
 Sylvia Adams (Sec.)  
 Marshall, Bratter, Greene, Allison & Tucker (Lcp3)  
 430 Park Ave.  
 New York, NY 10022  
 212-421-7200

**Divisions:**
**ABM of Texas**

4311 So. Congress Ave.  
 Austin, TX 78745  
 Tel.: 812-444-1858 (100%)  
 Harry Sargant (Plant Mgr.)

**American Technical Machinery Div.**

Main St.  
 Blakely, PA 16647  
 Tel.: 717-489-6381  
 Charles Duksey (Plant Mgr.)

**American Technical Machinery Div.**

1464 Jingle Bell Lane  
 Lexington, KY 40505  
 Tel.: 606-254-3871 (100%)

**American Tree & Wreath Div.**

1464 Jingle Bell Lane  
 Lexington, KY 40505  
 Tel.: 606-254-3871 (100%)  
 Alexander Carlwood (V.P.)

**American Tree & Wreath Div.**

Jingle Bell Lane  
 W. Conesville, NY 12192  
 Tel.: 518-731-8141 (100%)  
 Peter Crook (Plant Mgr.)

**American Tree & Wreath Div.**

298 Gale St.  
 Aurora, IL 60808  
 Tel.: 312-859-8650  
 Anthony De Cosmo (Plant Mgr.)

**American Tree & Wreath Div.**

4311 S. Congress Ave.  
 Austin, TX 78745  
 Tel.: 812-444-1858 (100%)  
 Harry Sargant (Plant Mgr.)

**American Tree & Wreath of California Div.**

3401 Elivanda Ave.  
 Mira Loma, CA 91732  
 Tel.: 714-888-1571  
 Howard Clarough (Plant Mgr.)

**AMERICAN TELEPHONE & TELEGRAPH CO.**

195 Broadway, New York, NY 10007  
 Tel.: 212-393-9800 NY  
 T—(NYSE Bo Ci MW Ph PS)  
 Approx. Sls.: \$36,500,000,000 Emp.: 945,085  
 Holding Co.—Communications  
 John D. deButts (Chm. Bd. & Chief Exec. Officer)  
 Charles L. Brown (Pres. & Chief Opr. Officer)  
 William G. Burns (V.P. & Treas.)  
 William S. Cashel, Jr. (Chief Fin. Officer & Vice Chm. Bd.)  
 Frank A. Hutson, Jr. (Sec.)  
 F. Mark Garlinghouse (Legal)

**Division:**

American Telephone & Telegraph Co.  
 Long Lines Dept.  
 Bedminster, NJ 07921  
 Tel.: 201-234-3000

**Subsidiaries:**
**The Bell Telephone Co. of Pa.**

One Parkway  
 Philadelphia, PA 19102  
 Tel.: 215-488-9800  
 Communications Co.

**Bell Telephone Labs., Inc.**

800 Mountain Ave.  
 Murray Hill, NJ 07974  
 Tel.: 201-649-3000  
 Communications Co.

**The Chesapeake & Potomac Telephone Co.**

300 H St. N.W.  
 Washington, DC 20001  
 Tel.: 202-388-8800  
 Communications Co.

**The Chesapeake & Potomac Telephone Co. of Maryland**

Constitution Plaza, 1 E. Pratt St.  
 Baltimore, MD 21202  
 Tel.: 301-628-8800  
 Communications Co.

**The Chesapeake & Potomac Telephone Co. of Virginia**

705 E. Grace St.  
 Richmond, VA 23219  
 Tel.: 804-773-3000  
 Communications Co.

**The Chesapeake & Potomac Telephone Co. of West Virginia**

1800 MacCorkle Ave. S.E.  
 Charleston, WV 25314  
 Tel.: 204-343-8811  
 Communications Co.

**The Diamond State Telephone Co.**

One Parkway  
 Philadelphia, PA 19102  
 Tel.: 215-488-9800  
 Communications Co.

**Illinois Bell Telephone Co.**

223 W. Randolph St.  
 Chicago, IL 60606  
 Tel.: 312-727-8411  
 Communications Co.

**Indiana Bell Telephone Co., Inc.**

240 N. Meridian St.  
 Indianapolis, IN 46204  
 Tel.: 317-265-2286  
 Communications Co.

**Michigan Bell Telephone Co.**

444 Michigan Ave.  
 Detroit, MI 48226  
 Tel.: 313-223-8800  
 Communications Co.

**The Mountain States Telephone & Telegraph Co.**

831 14th St.  
 Denver, CO 80202  
 Tel.: 303-624-2424 (88%)  
 Communications Co.

**New England Telephone & Telegraph Co.**

185 Franklin St.  
 Boston, MA 02107  
 Tel.: 617-743-9800 (88%)  
 Communications Co.

**New Jersey Bell Telephone Co.**

540 Broad St.  
 Newark, NJ 07101  
 Tel.: 201-649-9000  
 Communications Co.

**New York Telephone Co.**

1095 Ave. of the Americas  
 New York, NY 10036  
 Tel.: 212-399-2121  
 Communications Co.

**Northwestern Bell Telephone Co.**

100 S. 19th St.  
 Omaha, NE 68102  
 Tel.: 402-472-2000  
 Communications Co.

**The Ohio Bell Telephone Co.**

100 Erieview Plaza  
 Cleveland, OH 44114  
 Tel.: 216-229-8000  
 Communications Co.

**Pacific Northwest Bell Telephone Co.**

Sixteen Hundred Bell Plaza  
 Seattle, WA 98191  
 Tel.: 206-245-2311 (89%)  
 Communications Co.

**The Pacific Telephone & Telegraph Co.**

140 New Montgomery St.  
 San Francisco, CA 94105  
 Tel.: 415-643-8000 (89%)  
 Communications Co.

**Subsidiary:**
**Bell Telephone Co. of Nevada**

645 E. Flamingo Lane  
 Reno, NV 89502  
 Tel.: 702-789-8000 (100%)  
 Communications Co.

**South Central Bell Telephone Co.**

P. O. Box 771  
 Birmingham, AL 35201  
 Tel.: 205-328-3311  
 Communications Co.

**Southern Bell Telephone & Telegraph Co.**

Hurt Bldg., P.O. Box 3211  
 Atlanta, GA 30301  
 Tel.: 404-528-8811  
 Communications Co.

**Southwestern Bell Telephone Co.**

1010 Pine St.  
 St. Louis, MO 63101  
 Tel.: 314-247-8800  
 Communications Co.

**Western Electric Co., Inc.**

222 Broadway  
 New York, NY 10008  
 Tel.: 212-571-3346 (100%)

**Subsidiaries:**
**Manufacturers' Junction Railway Co.**

Cleora & Cornish  
 Cleora, IL 60860  
 Tel.: 312-494-2222  
 Shortline Railroad

**Nassau Recycle Corp.**

Yonkersville Pl.  
 Staten Island, NY 10307  
 Tel.: 212-684-1970

**Sandia Corp.**

Sandia Base  
 Albuquerque, NM 87115  
 Tel.: 505-284-4848

**Teletype Corp.**

5555 Teutry Ave.  
 Skokie, IL 60076  
 Tel.: 312-982-2000

**Wisconsin Telephone Co.**

722 N. Broadway  
 Milwaukee, WI 53202  
 Tel.: 414-456-3000  
 Communications Co.

**THE AMERICAN THREAD COMPANY**

(Sub. (75%) of Tootal Ltd., Manchester, England)  
 High Ridge Park, Stamford, CT 06905  
 Tel.: 203-329-8111 NJ  
 Approx. Sls.: \$104,380,000 Emp.: 3,800  
 Mfg. & Sales of Thread, Cotton & Bleach  
 John B. Love (Pres., Chief Opr. Officer & Chief Exec. Officer)  
 Robert F. Lillay (V.P.-Fin., Treas., Chief Fin. Officer & Sec.)  
 James Harrison (Pur. Dir.)  
 C. T. Hutchinson (Pers. Dir.)

Mich. Bell

FILE: ATYT

### Organization

Michbellpac's leadership consists of five officers (chairman, vice-chairman, secretary, treasurer, and assistant treasurer) and three working committees.

- The Administration Committee supervises and conducts solicitation efforts. It will also publicize the activities of Michbellpac and ensure compliance with all laws and regulations relating to solicitations.
- The Finance Committee is the custodian of funds contributed to Michbellpac. This committee will keep records and prepare reports as required by law. It will ensure that the amount of the contributions are kept within legal limits.
- The Disbursal Committee will select the candidates and political parties to receive contributions from Michbellpac.

### Solicitation

Federal and state laws provide that only certain executive and administrative employees may be solicited by political action committees. For Michigan Bell, all management employees from third level and above clearly fall within the definition of those laws, and solicitation efforts will be directed to them. No one will be solicited by anyone of a higher level of management. Contributions may be made to Michbellpac by payroll deduction, check or money order.

# Michbellpac

## What is Michbellpac?

Michbellpac is an association of Michigan Bell management employees formed to make voluntary contributions to candidates for federal, state, elective offices and to political parties. It's voluntary, non-partisan, non-profit and it's legal.

## What will Michbellpac accomplish?

It enables Michigan Bell management employees to join together in an organized way to participate in the political process. Its purpose is to help fund the combined financial contributions of members to support the nomination and election of selected candidates for federal, state and local offices.

## What will my involvement mean to me?

Michbellpac gives you an opportunity to make contributions easily through payroll deduction. The unified approach means your contribution has more impact. For years labor union members have been able to make significant contributions to candidates of their choice through union programs. As a result their political interests are substantial. Business through committees at Michbellpac now has the same opportunity.

**MOUNTAIN BELL FEDERAL POLITICAL ACTION COMMITTEE ALLOTMENT AUTHORIZATION**

PLEASE PRINT

NAME (Last, First, MI.) \_\_\_\_\_

Social Security No. \_\_\_\_\_

Payroll No. \_\_\_\_\_

**CHECK ONE**

NEW

I have elected to participate in the designated Federal Political Action Committee by contributing \$\_\_\_\_\_ per month, or \$\_\_\_\_\_ by direct bill, such contribution to be made (check block below):

- By payroll allotment (\$5.00 minimum monthly allotment, in \$1.00 increments)
- By Check (\$5.00 minimum)
- By cash (\$5.00 minimum, but not to exceed \$100)

I direct that my contribution be:

- Disbursed by the designated Federal PAC at its discretion.
- Disbursed by the designated Federal PAC as specified by a "Designation of Recipient" card (Form 6252).

I understand that if I do not designate these funds by June 30 and December 31 of every year, they will be disbursed at the committee's discretion.

I designate the following authorized Federal Political Action Committee to be the recipient of my contribution:  
 Mountain Bell Employee Active Citizenship Program

CHANGE

Change my existing monthly payroll allotment to the new amount of \$ \_\_\_\_\_

CANCEL

Cancel my Federal PAC allotment effective for the month following that in which my cancellation is received by the Company.

**FORWARD TO:**  
 DESIGNATED  
 FEDERAL  
 PAC FINANCE  
 COMMITTEE

Signature \_\_\_\_\_ Date \_\_\_\_\_ Work Location City \_\_\_\_\_

Residence Address \_\_\_\_\_ Occupation \_\_\_\_\_

Note: A copy of our report is filed with the Federal Election Commission and is available for purchase from the Federal Election Commission, Washington, D. C.

FILE: AT+T

317190733370

ATTACHMENT #3

April 12, 1979

Mr. E. C. Peterson  
Labor Relations Manager  
Sandia Laboratories  
P. O. Box 5800  
Albuquerque, New Mexico 87185

Dear Mr. Peterson:

Reference is made to your letter of February 15, 1979, in which you state that since Sandia Corporation does not have a method of deduction for political contributions, you are denying the Metal Trades Council's request for such a deduction.

Please be advised that it is our interpretation of the law that if a corporation has a wage deduction system in place and is using it for contributions to their political action committee any place in that corporation, the corporation must make the same method available to the Union upon written request.

For your information in this regard we are relying on the language found in Section 114.5, paragraph (k), subparagraph (1) of the law.

Once again the Metal Trades Council is making a formal demand on Sandia Corporation for the establishment of a check-off for political funds.

Sincerely,

Conrado A. Otero  
President

CAO:ch  
opeiu 251, afl-cio

Sandia Laboratories

Albuquerque, New Mexico 87115

April 20, 1979

Mr. Conrado O. Otero, President  
Atomic Projects and Production Workers  
Metal Trade Council, AFL-CIO  
7713 Zuni, SE  
Albuquerque, New Mexico 87108

Dear Mr. Otero:

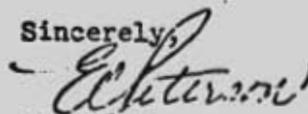
This is in reply to your letter of April 12, 1979 repeating an earlier request that we permit the Council a check-off for political contributions. Your letter states that it is your interpretation of the Federal Election Campaign Act Amendments of 1976 that

"...if a corporation has a wage deduction system in place and is using it for contributions to their political action committee any place in that corporation, the corporation must make the same method available to the Union upon written request."

Notwithstanding your interpretation, the fact is that Sandia Corporation has not established a political action committee or a wage deduction system for political contributions. Accordingly, we are not obligated to accede to your request that a contribution check-off system be implemented for your members.

We will, of course, advise you if a political action committee covering Sandia employees is ever established and consider your request at that time.

Sincerely,



E. C. Peterson  
Labor Relations Manager

ECP:3450:mc

3171027539

3131023570

ELECTRONICALLY  
RECORDED

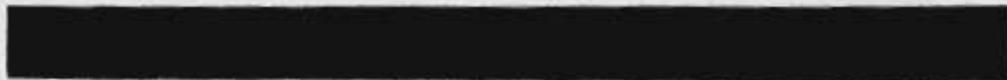
NOV 11 1977

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0.21  
FIRST CLASS



Mr. William C. Oldaker  
General Counsel  
Federal Election Commission  
1325 K Street, N. W.  
Washington, D. C. 20463

216A



NOV 11 1977  
FEDERAL ELECTION COMMISSION



FEDERAL ELECTION COMMISSION

1125 K STREET N.W.  
WASHINGTON, D.C. 20463

THIS IS THE BEGINNING OF MUR # 994

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