



FEDERAL ELECTION COMMISSION
Washington, DC 20463

July 3, 1980

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

ADVISORY OPINION 1980-62

Ms. Margaret A. Browning
Meranze, Katz, Spear and Wilderman
Lewis Tower Building, 12th Floor
N.E. COR. 15th & Locust Street
Philadelphia, Pennsylvania 19102

Dear Ms. Browning:

This responds to your letter of May 16, 1980, requesting an advisory opinion on behalf of Pipefitters Local 524 Political Action Fund ("the Committee") concerning application of the Federal Election Campaign Act of 1971, as amended ("the Act"), to the solicitation of check-off authorizations for contributions to the Committee.

The Committee is the separate segregated fund of Pipefitters Local 524 ("the Local"). You state that the Committee anticipates raising most of its funds through a voluntary contribution check-off method, which permits pipefitters employed under a collective bargaining agreement with the Local to request their employers to deduct a certain number of cents per hour from their wages and transmit these monies to the Committee. The Committee wishes to solicit such check-off authorizations from two groups of pipefitters.

The first category is comprised of pipefitters who are employed within the jurisdiction of the Local by employers party to collective bargaining agreements with the Local, who are members of other pipefitter locals, and whose employment is based upon the Travel Card system outlined in Section 230 of the Constitution of the United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry of the United States and Canada* ("United Association"). Such employees are bound by the work rules and collective bargaining agreements of the Local and are permitted to attend the Local's meetings without voting privileges. They are required to pay \$5.00 per week Travel Card dues to the Local. Such

* The Commission notes that 2 U.S.C. 441e prohibits the solicitation of contributions from foreign nationals.

employees retain their full membership rights in their home local, to which they must continue paying dues, and they are full members of the United Association.

The second category of employees are not members of the Local or of the United Association. Rather they are employed on a particular construction job under a Permit Card creating a temporary relationship between the Local and the employee. By signing such a Permit Card the employee agrees to be bound by the work rules of Local 524 and by the applicable collective bargaining agreement. The Permit Card workers pay a \$5.00 per week work fee but are not required to pay dues or initiation fees to the Local. They are, however, entitled to representation by the Local during the course of their employment under the Permit Card. The Committee wishes to solicit contributions from these Permit Card employees only during the time they are actually employed under a Local 524 Collective Bargaining Agreement and subject to the Local's jurisdiction as specified by the Permit Card. You ask whether solicitation of these two groups of employees under the procedures described in your request is permissible under the Act and Commission regulations.

A labor organization, or a separate segregated fund established by a labor organization, is prohibited from soliciting contributions to such a fund from any person other than its members and their families. 2 U.S.C. 441b(b)(4)(A) and 11 CFR 114.5(g)(2). When used in the Act the term "members" is defined as "all persons who are currently satisfying the requirements for membership in a ... local, national, or international labor organization." 11 CFR 114.1(e). Commission regulations treat members of a local union as members of any national or international union of which the local union is a part.

The Commission has previously recognized that it is permissible under the Act for the separate segregated fund of a wholly-owned subsidiary corporation to solicit contributions from the executive or administrative personnel and stockholders of the parent corporation. Advisory Opinion 1978-75, copy enclosed. The relationship between the Local and the United Association is analogous to the relationship between a subsidiary corporation and its parent. Thus, under the holding of Advisory Opinion 1978-75, the Local would be permitted to solicit the members of its "parent" organization, i.e., the United Association. Accordingly, with respect to the first category of employees (i.e. Travel Card holders) the Commission concludes that because such employees, by virtue of their membership in other affiliated locals of the United Association are considered "members" of the United Association under 11 CFR 114.1(e), solicitation of those members/employees by the Local or the Committee is permissible under the Act.

Moreover, solicitation by the Local of Travel Card holders would also be permissible in view of the Commission's conclusion in Advisory Opinion 1979-44. (See copy enclosed). In that opinion the Commission permitted the separate segregated fund of a wholly-owned subsidiary to solicit the executive or administrative personnel of another wholly-owned subsidiary of the same parent corporation as well as of the parent. Thus, by analogy, the Local would be permitted to solicit contributions to the Committee from the members of other locals of the United Association.

With respect to the second category of employees described in your request (i.e. Permit Card holders), the Commission concludes that the solicitation proposal is not permitted since the

Local may only solicit members and such employees, as stated in your letter, are not members of the Local nor of the United Association. The Commission reaches this conclusion since, while Permit Card holders do have a temporary relationship with the Local, they do not have membership status in the Local or the United Association. See Federal Election Commission v. National Right To Work Committee, ___ F. Supp. ___, Civ. Action No. 77-125, April 4, 1980; and compare Advisory Opinion 1979-69 (copy enclosed). Furthermore, the Commission has previously held that a labor organization may not solicit individuals who paid an agency fee to the union since the agency fee payers were not members. See Advisory Opinion 1977-37, copy enclosed. Permit Card holders in the circumstances here are the same as agency fee payers and thus are not solicitable members of the United Association.

This response constitutes an advisory opinion concerning application of the Act, or regulations prescribed by the Commission, to the specific transaction or activity set forth in your request. See 2 U.S.C. 437f.

Sincerely yours,

(signed)

Max L. Friedersdorf
Chairman for the
Federal Election Commission

Enclosures (AOs 1978-75, 1979-44, 1979-69 and 1977-37)