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September 3, 1998

Larry Noble, General Counsel
Federal Election Commission
Office of General Counsel
999 E Street, NW
Washington, D.C. 20463

Dear Mr. Noble:

I am writing to request an advisory opinion in regard to the following matter:

The issue is whether the Mason Tenders District Council may forward voluntary contributions, maintained in an escrow account for longer than 30 days by order of a federal monitor, and not commingled with corporate or other prohibited money, to the New York State PAC's federal account.

The facts are as follows:

The Mason Tenders District Council (MTDC) collects voluntary member contributions and sends the contributions promptly to the New York State PAC's Federal Account. The MTDC is under the supervision of a Federal Monitor, Lawrence Pedowitz. Mr. Pedowitz by letter dated February 7, 1997 issued an order to the MTDC enjoining the MTDC from forwarding member's voluntary contributions to the New York State Laborers' PAC's (PAC) federal account. The basis for Mr. Pedowitz's order is not relevant to this request. Pursuant to this order, the MTDC placed members contributions in an escrow account. The escrow account has not commingled the members voluntary contributions with corporate or other impermissible moneys for purposes of federal elections.

Larry Noble
September 3, 1998
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Mr. Pedowitz's concerns have been resolved by the reconstitution of the PAC. Mr. Pedowitz is now prepared to lift the injunction prohibiting the Mason Tenders District Council from forwarding member contributions to the PAC's federal account.

Due to the proximity of the Primary and General elections to the present date we are requesting that this matter be handled on an expedited basis. If you have any question regarding this matter please feel free to contact me at (518) 465-5551. Thank you for attention to this matter.

Very truly yours,

A handwritten signature in cursive script that reads "Lawrence Scherer".

Lawrence Scherer
Counsel to the NYS Laborers' PAC

Subject: Letter dated 9-3-98 to FEC--General Counsel

Date: Mon, 14 Sep 1998 16:48:56 -0400

From: Bradley Litchfield <brlitch@fec.gov>

Organization: Federal Election Commission

To: msek@webspn.net

Attention: Lawrence Scherer

Received your September 3 letter on Sept 8.

This is followup with details re my phone call of this afternoon to your office about the subject letter on behalf of New York State Laborers' PAC.

To consider this inquiry as an advisory opinion request requires additional factual information and clarification as follows:

- 1) Have the escrowed funds ever been reported to the FEC by the cited PAC or any other entity?
- 2) Who has had control of the escrow account and what funds other than previously collected contributions for the PAC have ever been held in this account?
- 3) What uses have been made of funds while held in escrow account?
- 4) Need documents from Pedowitz as to reason why escrow account was established and related documents that explain the control and nature of funds in the account.
- 5) Need document that authorizes release of funds from the escrow account.
- 6) Need explanation of relationship of Mason Tenders District Council and NY State Laborers Union and with latter's PAC.

See generally 11 CFR Part 112 which sets forth the advisory opinion procedures.

N. Bradley Litchfield
Associate General Counsel/Policy
Federal Election Commission
voicephone: 202-694-1650
direct e-mail: brlitch@fec.gov

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October 2, 1998

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•••• REGISTERED WASHINGTON D.C. LAWYER

Mr. N. Bradley Litchfield
 Associate General Counsel
 Federal Election Commission
 Washington, D.C. 20463

AOR 1998-25

Dear Mr. Litchfield:

This letter is in response to your request for additional factual information and clarifications. I have provided the information in the chronological order that the questions were posed:

1. The escrow money has not been reported to the FEC by either the NYS Laborers' PAC or the Mason Tenders District Council.
2. The escrow account is under the control of the Federal Monitor, Lawrence Pedowitz and Steven Hammond, LIUNA Trustee for the Mason Tenders District Council. No other funds have been commingled with the political contributions in the escrow account.
3. No expenditures or other transactions have transpired concerning the escrow funds.
4. See Federal Monitor Lawrence Pedowitz February 7th letter attached.
5. See Federal Monitor Lawrence Pedowitz October 2nd letter attached.

Mr. N. Bradley Litchfield
October 2, 1998
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6. The Mason Tenders District Council is an intermediate body that is composed of local unions that are affiliated with the Laborers' International Union of North America. As a intermediate body the Mason Tenders District Council in conjunction with other New York State Laborers' Union locals formed the NYS Laborers' PAC. The NYS Laborers' PAC is a connected organization with the Laborers' Political League.

Sincerely,



Lawrence E. Scherer

WACHTEL, LIPTON, ROSEN & KATZ

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October 2, 1998

*OF DELAWARE AND PENNSYLVANIA BARS ONLY

BY FAX

Lawrence E. Scherer, Esq.
Meyer, Suozzi, English & Klein, P.C.
One Commerce Plaza
Suite 1810
Albany, NY 12260

Re: New York State Laborers' Political Action Committee

Dear Mr. Scherer:

I am writing in response to your inquiry on October 1, 1998 concerning the NYS Laborers' PAC. Your inquiry regards a FEC question concerning the release of monies escrowed pursuant to my February 7, 1998 letter.

Based upon information provided to me by Stove Hammond, LIUNA Trustee for the Mason Tenders District Council, on September 8, 1998, I authorized release of the escrowed monies in order that these funds be sent to the NYS Laborers' PAC.

Sincerely,

Lawrence R. Pedowitz
Lawrence R. Pedowitz

LBP:pc

WACHTELL, LIPTON, ROSEN & KATZ

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Vertical text in the middle-left column, likely a routing slip or list of names.

Vertical text in the middle-right column, likely a routing slip or list of names.

Vertical text on the right side, likely a routing slip or list of names.

February 7, 1997

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Mr. Steve Hammond
Mason Tenders District Council
of Greater New York
209 East 37th Street
Apartment 20-B
New York, New York 10016

Dear Steve,

LIONA GSB Attorney Robert Luskii called this morning to confirm that the board of trustees of the New York State Laborers' Political Action Committee (the "PAC"), in disregard of his explicit instructions, authorized the payment of a substantial severance award to Salvatore Ianza. Having learned of this, my earlier concerns about the efficacy and integrity of the PAC have been increased. I am now convinced that further financial support of the PAC is not in the best interests of the Mason Tenders District Council membership.

Accordingly, please allow this letter to confirm and reiterate my prior verbal direction that the Mason Tenders District Council is enjoined from making any payments to the PAC. Funds that would ordinarily be paid to the PAC may, at your discretion, be secured. However, absent authorization from me, such funds may not be disbursed to or on behalf of the PAC.

Very truly yours,
Lawrence B. Pedowitz
Lawrence B. Pedowitz

cc: Mr. Richard Elio
Robert Luskii, Esq.
Michael Chertoff, Esq.
Marvin Mavelli, Esq.