



FEDERAL ELECTION COMMISSION

1325 K STREET NW
WASHINGTON, D.C. 20463

THIS IS THE END OF MUR # 1978

Date Filmed 4/30/86 Camera No. --- 2

Cameraman AS

86040375428

FEDERAL ELECTION COMMISSION

Reentry slips, duplicate documents,

internal documents, conciliation materials

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 |
| ☐ (3) Exempted by other statute | ☐ (8) Banking information |
| ☐ (4) Trade secrets and commercial or financial information | ☐ (9) Well information (geographic or geophysical) |
| ☒ (5) Internal Documents | |

Signed

date

John L. Diney
April 22, 1986

REC 9-21-77

John L. Diney
4/23/86

86040575429

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

Engineers Political Education Committee
and Frank Hanley, as Treasurer

)
)
) RAD Referral #85L-1
)

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the
Federal Election Commission executive session of April 16, 1985,
do hereby certify that the Commission decided by a vote of
6-0 to take the following actions in the above-captioned matter:

1. Open a MUR.
2. Find reason to believe that the Engineers
Political Education Committee and Frank
Hanley, as treasurer, violated 2 U.S.C.
§ 441b(a) and 11 C.F.R. § 102.5(a).
3. Find reason to believe that IUOE Local 302
Segregated Political Fund violated 2 U.S.C.
§ 441b(a).
4. Approve and send the letters and General
Counsel's factual and legal analysis
attached to the General Counsel's report
dated March 28, 1985.

Commissioners Aikens, Elliott, Harris, McDonald, McGarry,
and Reiche voted affirmatively for the decision.

Attest:

4-17-85

Date

Marjorie W. Emmons

Marjorie W. Emmons
Secretary of the Commission

35040575430

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
International Union of Operating)
Engineers/Engineers Political)
Education Committee) MUR 1978
Frank Hanley, Treasurer)
)
IUOE Local 302 Segregated)
Political Fund)

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the
Federal Election Commission executive session of October 17,
1985, do hereby certify that the Commission decided by a vote
of 6-0 to take the following actions in MUR 1978:

1. Find probable cause to believe that the
International Union of Operating Engineers/
Engineers Political Education Committee and
Frank Hanley, as treasurer, violated 2 U.S.C.
§ 441b(a) and 11 C.F.R. § 102.5(a).
2. Reject recommendation #2 contained in the
FEC General Counsel's report dated
October 16, 1985.
3. Approve a civil penalty in the amount of
in conciliation with
the Engineers Political Education Committee/
International Union of Operating Engineers.
4. Close the file with respect to the Inter-
national Union of Operating Engineers
Local 302 Segregated Political Fund.

(continued)

86040375431

5. Direct the Office of General Counsel to send appropriate letters pursuant to the above actions.

Commissioners Aikens, Elliott, Harris, Josefiak, McDonald, and McGarry voted affirmatively for the decision.

Attest:

10-18-85

Date

Marjorie W. Emmons

Marjorie W. Emmons
Secretary of the Commission

36040575432

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
Engineers Political Education) MUR 1978
Committee/International Union of)
Operating Engineers, and Frank)
Hanley, as treasurer)

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on February 25, 1986, the Commission decided by a vote of 6-0 to take the following actions in MUR 1978:

1. Accept the conciliation agreement and civil penalty as proposed by Respondents, as recommended in the General Counsel's Report signed February 19, 1986.
2. Close the file.

Commissioners Aikens, Elliott, Harris, Josefiak, McDonald and McGarry voted affirmatively for this decision.

Attest:

2-26-86

Date

Marjorie W. Emmons

Marjorie W. Emmons
Secretary of the Commission

Received in Office of Commission Secretary:	Thurs.,	2-20-86,	2:08
Circulated on 48 hour tally basis:	Fri.,	2-21-86,	2:00
Deadline for vote:	Tues.,	2-25-86,	4:00

860405/5433



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

March 3, 1986

Michael R. Fanning, Counsel
International Union of Operating
Engineers
1125 Seventeenth Street, N.W.
Washington, D.C. 20034

RE: MUR 1978

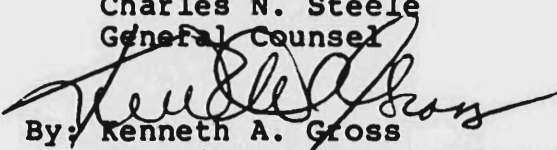
Dear Mr. Fanning:

On February 25, 1986, the Commission accepted the conciliation agreement signed by Frank Hanley as treasurer of the Engineers Political Education Committee and a civil penalty in settlement of a violation of 2 U.S.C. § 441b(a), a provision of the Federal Election Campaign Act of 1971, as amended and 11 C.F.R. § 102.5(a). Accordingly, the file has been closed in this matter, and it will become a part of the public record within thirty days. However, 2 U.S.C. § 437g(a)(4)(B) prohibits any information derived in connection with any conciliation attempt from becoming public without the written consent of the respondent and the Commission. Should you wish any such information to become part of the public record, please advise us in writing.

Enclosed you will find a fully executed copy of the final conciliation agreement for your files.

Sincerely,

Charles N. Steele
General Counsel


By: Kenneth A. Gross
Associate General Counsel

Enclosure
Conciliation Agreement

350405/5434

2. Respondent, Frank Hanley, is treasurer of the Engineers Political Education Committee/International Union of Operating Engineers.

3. On January 17, 1984, Respondents reported the receipt of \$25,000 from the International Union of Operating Engineers Local 302 Segregated Political Fund, a non-federal account of a labor organization.

4. On July 11, 1984, the Respondents reported the refund of \$25,000 to the International Union of Operating Engineers Local 302 Segregated Political Fund.

5. Section 441b(a) of Title 2, United States Code, prohibits a labor organization from making a contribution in connection with a federal election and prohibits political committees from accepting or receiving contributions from labor organizations.

V. Respondents violated 2 U.S.C. § 441b(a) and 11 C.F.R § 102.5(a) by accepting \$25,000 from the International Union of Operating Engineers Local 302 Segregated Political Fund.

VI. Respondents will pay a civil penalty to the Treasurer of the United States in the amount of Two Thousand Dollars (\$2,000), pursuant to 2 U.S.C. § 437g(a)(5)(A).

VII. Respondents agree that they shall not undertake any activity which is in violation of the Federal Election Campaign Act of 1971, as amended, 2 U.S.C. § 431, et seq.

VIII. The Commission, on request of anyone filing a complaint under 2 U.S.C. § 437g(a)(1) concerning the matters at issue

35040575436

herein or on its own motion, may review compliance with this agreement. If the Commission believes that this agreement or any requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

IX. This agreement shall become effective as of the date that all parties hereto have executed same and the Commission has approved the entire agreement.

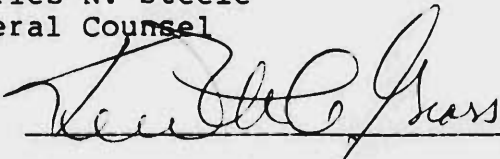
X. Respondents shall have no more than thirty (30) days from the date this agreement becomes effective to comply with and implement the requirements contained in this agreement and to so notify the Commission.

XI. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and no other statement, promise, or agreement, either written or oral, made by either party or by agents of either party, that is not contained in this written agreement shall be valid.

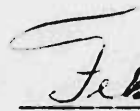
FOR THE COMMISSION:

Charles N. Steele
General Counsel

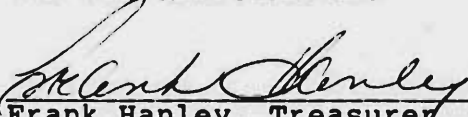
BY:


Kenneth A. Gross
Associate General Counsel

Date


February 28, 1986

FOR THE RESPONDENTS:


Frank Hanley, Treasurer
Engineers Political Education
Committee/International Union
of Operating Engineers

Date

January 22, 1986

9 5 0 4 0 5 7 5 4 3 7

BEFORE THE FEDERAL ELECTION COMMISSION

SENSITIVE

In the Matter of)

Engineers Political Education)
Committee/International Union of)
Operating Engineers, and Frank)
Hanley, as treasurer)

MUR 197822 02:08

GENERAL COUNSEL'S REPORT

BACKGROUND

Attached is a signed conciliation agreement submitted by the Engineers Political Education Committee ("EPEC") who are Respondents in the above-captioned matter. (Attachment I). The

860403/5438

RECOMMENDATIONS

1. Accept the conciliation agreement and civil penalty as proposed by Respondents.
2. Close the file.

Charles N. Steele
General Counsel

2. Close the file.

Charles N. Steele
General Counsel

Date _____

BY:

Kenneth A. Gross
Associate General Counsel

Attachment

1. Signed conciliation agreement
2. Copy of civil penalty check
3. Proposed letter to respondent



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

October 23, 1985

Michael R. Fanning, Esquire
International Union of Operating
Engineers
1125 Seventeenth Street, N.W.
Washington, D.C. 20034

RE: MUR 1978
EPEC/IUOE
Frank Hanley, Treasurer

IUOE Local 302 Segregated
Political Fund

Dear Mr. Fanning:

On October 17, 1985, the Commission determined that there is probable cause to believe that EPEC/IUOE and Frank Hanley, as treasurer, violated 2 U.S.C. § 441b(a) and 11 C.F.R. § 102.5(a), provisions of the Federal Election Campaign Act of 1971, as amended and the Code of Federal Regulations, in connection with a \$25,000 contribution made by IUOE Local 302's Segregated Political Fund and deposited into EPEC's Federal account. The Commission has closed its file as to IUOE Local 302 Segregated Political Fund.

The Commission has a duty to attempt to correct such violations for a period of thirty to ninety days by informal methods of conference, conciliation and persuasion, and by entering into a conciliation agreement. If we are unable to reach an agreement during that period, the Commission may institute civil suit in United States District Court and seek payment of a civil penalty.

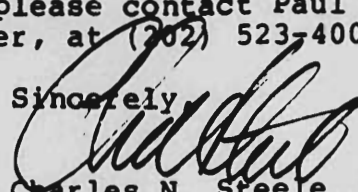
We enclose conciliation agreements that this Office is prepared to recommend to the Commission in settlement of this matter. If you agree with the provisions of the enclosed agreements, please sign and return them along with the civil penalties to the Commission within ten days. I will then recommend that the Commission approve the agreement. Please make your checks payable to the U.S. Treasurer.

36040575440

Michael R. Fanning, Esquire
Mur 1978
page 2

If you have any questions or suggestions for changes in the enclosed conciliation agreements, please contact Paul Reyes, the staff member assigned to this matter, at (202) 523-4000.

Sincerely,


Charles N. Steele
General Counsel

Enclosure
Conciliation Agreements

pr#3

860403 / 5441

BEFORE THE FEDERAL ELECTION COMMISSION

RECEIVED
OCT 11 1985
COMMISSION SECRETARY

In the Matter of)
)
International Union of)
Operating Engineers/)
Engineers Political)
Education Committee)
Frank Hanley, Treasurer)
)
IUOE Local 302 Segregated)
Political Fund)

MUR 1978

85 OCT 8 P4:24

SENSITIVE

EXECUTIVE SESSION

GENERAL COUNSEL'S REPORT

OCT 17 1985

I. BACKGROUND

On April 16, 1985, the Commission found reason to believe that the Engineers Political Education Committee (EPEC) and Frank Hanley, as treasurer, violated 2 U.S.C. § 441b(a) and 11 C.F.R. §102(a) and that IUOE Local 302 Segregated Political Fund (EPEC, Frank Hanley, and IUOE Local 302 are referred to collectively as "Respondents") violated 2 U.S.C. § 441b(a). Respondents were notified of this determination by letter dated April 24, 1985. By letter of May 3, 1985, respondents requested and were granted an extension of time in which to file a response. Respondents replied by letter of May 20, 1985. On June 27, 1985 the General Counsel notified the Commission that this Office was prepared to close the investigation in this matter. On August 15, 1985, the General Counsel forwarded a brief to respondents outlining this Office's position on the legal and factual issues of this matter. During the week of August 19, 1985 counsel for respondents telephoned this Office to indicate his receipt of the General Counsel's Brief and to reiterate that his clients do not deny the actions alleged in the General Counsel's Brief. Counsel indicated that, accordingly, they did not plan to file a

2
4
4
7
5
4
4
2
5
0
0
4
4
2

responsive brief in this matter and would forward a letter to that effect. Subsequently, however, the attached letter requesting pre-probable cause conciliation was received by this Office on August 27, 1985.

II. Legal Analysis

(See OGC Brief of August 15, 1985) The General Counsel's position has not changed in this matter since his brief of August 15, 1985. Apparently, respondents do not intend to contradict their admissions made in response to the Commission's reason to believe notification but wish to move into conciliation.

Following recently adopted procedures, the Commission may not entertain a request for pre-probable cause conciliation after the General Counsel has briefed the matter. Therefore, the General Counsel recommends that the Commission find probable cause to believe that respondents violated 2 U.S.C. § 441b and 11 C.F.R. § 102.5(a).

III. DISCUSSION OF CONCILIATION AND CIVIL PENALTY

3
4
4
5
7
5
4
0
4
4
0
3

36040375444

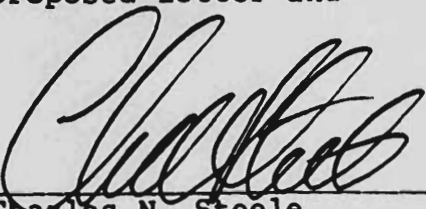
IV. RECOMMENDATION

1. Find Probable cause to believe that the International Union of Operating Engineers/Engineers Political Education Committee and Frank Hanley, as treasurer, violated 2 U.S.C. § 441b(a) and 11 C.F.R. § 102.5(a).

Fund violated 2 U.S.C. § 441b(a).

3. Approve and send the attached proposed letter and conciliation agreements.

8 October 1985
Date


Charles N. Steele
General Counsel

Attachments

Respondents letter of August 27, 1985
Proposed Conciliation Agreements
Proposed letter

86040375445

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)

Engineers Political Education Committee/)

International Union of Operating)

Engineers; Frank Hanley, as treasurer)

MUR 1978

GENERAL COUNSEL'S BRIEF

I. STATEMENT OF THE CASE

Based on information obtained in the normal course of its supervisory duties, on April 16, 1985, the Federal Election Commission found reason to believe that the Engineers Political Education Committee/International Union of Operating Engineers ("EPEC") and Frank Hanley, as treasurer, violated 2 U.S.C. § 441b(a) and 11 C.F.R. § 102.5(a) by accepting \$25,000 from an affiliated labor organization's non-federal account, the International Union of Operating Engineers Local 302 Segregated Political Fund ("SPF").^{1/} The respondents were notified of the Commission's determination by letter dated April 24, 1985. By letter dated May 3, 1985, the respondents requested an extension of time in which to respond to the Commission's finding. A response was filed on May 20, 1985.

In their response to the Commission's finding the respondents concede that a violation occurred, but contend that it was technical in nature. The respondents argue that their "prompt, voluntary, and good faith efforts" to correct the

^{1/} On January 17, 1984, EPEC reported the receipt of \$25,000 from SPF.

violation support a Commission decision to take no further action in this matter.

The following facts were presented by the respondents in mitigation of the violation. In January 1984 a staff member of EPEC mistakenly believed that SPF's contribution was intended for EPEC's federal account and deposited it therein.^{2/} When this error was discovered on July 10, 1984, the staff member immediately informed EPEC's treasurer, Frank Hanley, and a refund check was issued by Mr. Hanley on July 11, 1984. The respondents emphasize that all times relevant to this matter EPEC maintained a balance of funds sufficient to accomodate its contributions made in connection with federal elections without using the \$25,000 deposited from SPF. Thus, respondents contend that EPEC derived no benefit from the \$25,000 that it would not otherwise enjoyed.^{3/} The final point raised by the respondents in their defense is that they "voluntarily acted to remedy the error in this matter at the first moment they became aware of it."

II. LEGAL ANALYSIS

Section 441b(a) of Title 2, United States Code, prohibits a labor organization from making a contribution or expenditure in

^{2/} According to the response, the contribution "was actually intended to be deposited in the EPEC Education Fund, a fund maintained by the IUOE," which "regularly receives contributions of treasury money from IUOE Local Unions."

^{3/} The respondents contend that "no interest or other income was earned" on the \$25,000 during the time of its deposit.

360405 / 3447

connection with any election for federal office, and further prohibits a political committee from knowingly accepting or receiving any contribution from a labor organization.

Section 102.5(a) of Title 11, Code of Federal Regulations, provides that those organizations which establish separate federal and non-federal accounts in connection with their support of political candidates shall deposit into their federal account only funds subject to the prohibitions and limitations of the Federal Election Campaign Act of 1971, as amended (the "Act"). In addition, no transfers may be made between the non-federal account and the federal account.

The transfer at issue to EPEC from SPF is acknowledged by EPEC to have been from "non-federal" money. To be sure, the 1984 February Monthly Report filed by EPEC disclosed a \$25,000 transfer-in from SPF on January 17, 1984. Moreover, EPEC disclosed a \$25,000 refund to SPF on July 11, 1984, while indicating that the refund was necessary because of the "mistaken deposit ... of non-federal money into our federal account."^{4/} Based upon the foregoing, it appears that EPEC impermissibly accepted \$25,000 from the non-federal account of Local 302 of the International Union of Operating Engineers, and failed to refund

^{4/} Local 302 of the International Union of Operating Engineers supports a registered separate segregated fund, IUOE Local 302 Voluntary Political Fund ("VPF"). VPF reports do not disclose a transfer-out to EPEC or the receipt of a refund from EPEC thereby supporting the view that the funds at issue are prohibited under the Act.

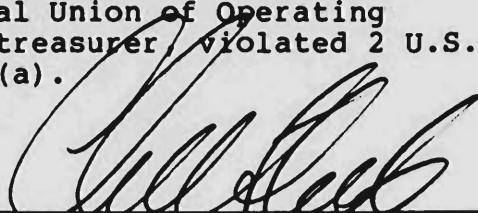
36040375443

such prohibited funds within a reasonable time. See 11 C.F.R. § 103.3. Although this office believes that Commission records support the respondents' contentions and that they may be considered in mitigation, such factors do not vitiate the violation. Hence, it is the recommendation of this office that the Commission find probable cause to believe EPEC and Frank Hanley, as treasurer, violated 2 U.S.C. § 441b(a) and 11 C.F.R. § 102.5(a).

III. GENERAL COUNSEL'S RECOMMENDATIONS

1. Find probable cause to believe the Engineers Political Education Committee/International Union of Operating Engineers and Frank Hanley, as treasurer, violated 2 U.S.C. § 441b(a) and 11 C.F.R. § 102.5(a).

12 August 1985
Date



Charles N. Steele
General Counsel

360403 / 5449



International Union of Operating Engineers

1125 SEVENTEENTH STREET NORTHWEST ★ WASHINGTON, D. C. 20036

AFFILIATED WITH THE AMERICAN FEDERATION OF LABOR AND CONGRESS OF INDUSTRIAL ORGANIZATIONS

OFFICE OF GENERAL PRESIDENT • (202) 429-9100

May 20, 1985

Charles N. Steele, Esq.
General Counsel
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

Re: MUR 1978

Dear Mr. Steele:

This statement is submitted on behalf of the Engineers Political Education Committee of the International Union of Operating Engineers (EPEC/IUOE) and the International Union of Operating Engineers Local 302 Segregated Political Fund (SPF), in response to the April 16, 1985 finding by the Federal Election Commission (the Commission) that there is reason to believe that EPEC/IUOE and SPF violated the Federal Election Campaign Act (the Act) with respect to the receipt and return of a 1984 contribution from SPF to EPEC/IUOE.¹ EPEC/IUOE and SPF admit that a technical violation of the Act occurred in this matter and urge that the Commission recognize the prompt, voluntary and good faith efforts of EPEC/IUOE in correcting this violation and take no further action.

In November of 1983, responsibility for the receipt, deposit and appropriate reporting of contributions received by EPEC/IUOE was assigned for the first time to Mr. David Treanor, an auditor of the IUOE. Prior to that time, this responsibility had been assigned to clerical personnel. When in January of 1984 the SPF contribution of \$25,000 was received, accompanied by the cover letter attached hereto as Exhibit 1, Mr. Treanor, noting from the records of EPEC/IUOE that IUOE Local 302 did maintain an affiliated federally registered committee, erroneously assumed that the SPF was

¹ An executed Designation of Counsel form has already been filed by EPEC/IUOE. On this date SPF has forwarded such form to the Commission via overnight mail.

BCC# 7531
Reyes

RECEIVED
GENERAL COUNSEL
MAY 20 4:16 PM '85

0557106098

the self same affiliated committee and directed that the contribution be deposited in the EPEC/IUOE. In fact, Local 302's federally registered committee affiliated with EPEC/IUOE is known as the Local 302 Voluntary Political Fund. The \$25,000 contribution of SPF was actually intended to be deposited in the EPEC Education Fund, a fund maintained by the IUOE. The EPEC Education Fund regularly receives contributions of treasury money from IUOE Local Unions. As in the case of Local 302 and the SPF, this treasury money is usually maintained by the Local in a segregated account, pursuant to the requirements of 26 USC § 527, for use in connection with non-federal political activity.

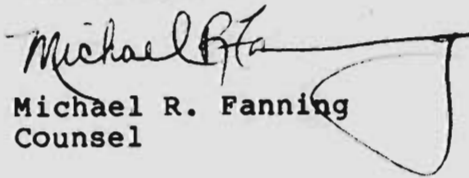
It was not until July of 1984 that Mr. Treanor, in a conversation with Mr. Michael Conlon who performs duties similar to Mr. Treanor for IUOE Local 302, learned of his error. Mr. Treanor immediately advised EPEC/IUOE Treasurer Frank Hanley of this error (See July 11 memo, Exhibit 2) and by letter of July 11 addressed to Mr. Frank Polsak, Business Manager of IUOE Local 302, Hanley refunded the \$25,000 contribution to SPF (Exhibit 3). Thereafter, with cover letter of July 17, 1984, Mr. Polsak reissued an SPF check to the EPEC Education Fund, apologizing for the earlier confusion (Exhibit 4). On August 10, 1984, EPEC/IUOE filed its FEC Form 3, covering the month of July, clearly disclosing and footnoting the return of this contribution.

We submit that the Commission should take no further action in this matter because, while the error herein was unfortunate, absolutely no benefit resulted to EPEC/IUOE therefrom. The funds of EPEC/IUOE are maintained in a non-interest bearing checking account at the First American Bank of Washington. Accordingly, no interest or other income was earned on the \$25,000 during the interval that it resided in EPEC/IUOE's account. Furthermore, from the period January 1, 1984 through July 31, 1984, the balance in EPEC/IUOE's account was never less than \$25,000. Indeed, the balance was in excess of \$264,000 throughout the period. Accordingly, SPF's contribution did not enable EPEC/IUOE to make any contributions which it otherwise could not have made during the period it was retained by EPEC/IUOE. Enclosed as Exhibit 5 are EPEC/IUOE monthly reports for this seven-month period.

Finally, and perhaps most importantly, it is clear that EPEC/IUOE and SPF voluntarily acted to remedy the error in this matter at the first moment they became aware of it. They made no effort to hide this error from the Commission; to the contrary, it was specifically footnoted on EPEC/IUOE's July 1984 report. SPF did not knowingly make an illegal contribution nor did EPEC/IUOE knowingly accept such a contribution. To punish SPF and EPEC/IUOE for their prompt and honest attempt to remedy an unknowing, technical violation would not only serve no useful purpose, but could in fact serve as a disincentive to voluntary remedial action by other committees.

For the reasons stated herein, it is requested that the Commission take no further action in this matter.

Sincerely,


Michael R. Fanning
Counsel

MRF/jlw
Attachments

cc: Mr. Frank Hanley
Mr. Frank Polsak

86040375452

International Union of Operating Engineers

AFFILIATED WITH AFL-CIO
LOCAL 302 AND BRANCHES B, C, D AND R/A
R. L. "DICK" FULLER, President

EXHIBIT 1

FRANK T. POLSAK, Business Manager

RODERICK J. FRASER, Financial Secretary

Branch Offices:
WENATCHEE, WASHINGTON
YAKIMA, WASHINGTON
ANCHORAGE, ALASKA
FAIRBANKS, ALASKA
JUNEAU, ALASKA
VALDEZ, ALASKA



WESTERN AVE. AND CLAY ST.
SEATTLE, WASHINGTON 98121
TELEPHONE: (206) 622-6180

January 10, 1984

Mr. J. C. Turner, General President
International Union of Operating Engineers
1125 Seventeenth Street, NW
Washington, DC 20036

Dear Sir and Brother:

I am pleased to report that the Executive Board of Local 302, at its January 6, 1984 meeting, took action to contribute to the Engineers' Political Education Committee \$25,000.00 from the Local 302 Segregated Political Fund.

As I am sure you are aware, because of the high unemployment we have suffered for the past two and one-half years in Western Washington, it is extremely difficult to obtain voluntary contributions. At the present time our Voluntary Political Fund is very low, but we are going to double our efforts during the next several months to increase its size.

Best wishes and kind personal regards.

Fraternally,

Frank T. Polsak
Business Manager

FTP/slt
opeiu#8

Enc.

9 6 0 4 0 3 7 5 4 5 3

Inter-office Memorandum
INTERNATIONAL UNION OF OPERATING ENGINEERS

EXHIBIT 2

To: General Secretary-Treasurer Hanley

From: David Treanor

Date: July 11, 1984

Subject: EPEC Contribution from Local 302

In January of 1984, Local 302 contributed \$25,000 to EPEC from their Segregated Political Fund. This check was deposited into the EPEC Voluntary Fund when, in fact, it should have been deposited into the EPEC Education Fund.

On July 10, 1984, I became aware of this mistake through a telephone conversation with Local 302.

To correct this error, it will be necessary to refund \$25,000 to Local 302 from the EPEC Voluntary Fund. Local 302 will then reissue another check for \$25,000 to EPEC which will be deposited into the appropriate Education Fund.

86040575454

J. C. TURNER
Chairman

FRANK HANLEY
Treasurer

1125 Seventeenth Street, N.W.
Washington, D.C. 20036
202-429-9100

Engineers Political Education Committee



EXHIBIT 3

July 11, 1984

Mr. Frank T. Polsak
Business Manager
IUOE Local Union 302
Western Avenue and Clay Street
Seattle, Washington 98121

Dear Sir and Brother:

On January 10, 1984, Local 302's Segregated Political Fund contributed \$25,000 to EPEC. This check was deposited inadvertently into the EPEC Voluntary Fund rather than the appropriate EPEC Education Fund. To correct this error, a refund of \$25,000 is enclosed to Local 302's Segregated Political Fund from the EPEC Voluntary Fund. It would be appreciated if Local 302's Segregated Political Fund would issue another check for \$25,000 to EPEC so that it can be deposited into the proper fund.

I am sorry for the inconvenience caused by this error and, again, thank you for this generous contribution.

With best wishes and warm personal regards, I am

Fraternally yours,

Frank Hanley
Treasurer

FH/ewh
Enclosure
cc: Mike Conlon

36040575455

International Union of Operating Engineers

EXHIBIT 4

AFFILIATED WITH AFL-CIO

LOCAL 302 AND BRANCHES B, C, D AND R/A

R. L. "Dick" FULLER, *President*

RODERICK J. FRASER, *Financial Secretary*

FRANK T. POLSAK, *Business Manager*

Branch Offices:

WENATCHEE, WASHINGTON
YAKIMA, WASHINGTON
ANCHORAGE, ALASKA
FAIRBANKS, ALASKA
JUNEAU, ALASKA
VALDEZ, ALASKA



WESTERN AVE. AND CLAY ST.
SEATTLE, WASHINGTON 98121
TELEPHONE: (206) 622-6180

July 17, 1984

Mr. Frank Hanley, Treasurer
Engineers Political Education Committee
1125 Seventeenth Street, NW
Washington, DC 20036

Dear Sir and Brother:

Per your request of July 11, 1984, I have re-issued a check in the amount of \$25,000.00 from the Local 302 Segregated Political Fund which is to be deposited into the EPEC Education Fund.

I am sorry our original check issued on January 10, 1984 was not more clearly designated for the Education Fund. In the future, we will try to do so.

Best wishes and kind personal regards.

Fraternally yours,

Frank T. Polsak
Business Manager

FTP/slt
opeiu#8

Enc.

36040375455

1. Name of Committee (in Full) Engineers Political Education Committee (EPEC)/International Union of Operating Engineers Address (Number and Street) 1125 17th Street, N.W. City, State and ZIP Code Washington, D.C. 20036 ☐ Check if address is different than previously reported.	4. TYPE OF REPORT (check appropriate boxes) (a) ☐ April 15 Quarterly Report ☐ July 15 Quarterly Report ☐ October 15 Quarterly Report ☐ January 31 Year End Report ☐ July 31 Mid Year Report (Non-election Year Only) ☒ Monthly Report for <u>January</u> ☐ Twelfth day report preceding _____ (Type of Election) election on _____ in the State of _____ ☐ Thirtieth day report following the General Election on _____ in the State of _____ ☐ Termination Report
2. FEC Identification Number 0000 29504	(b) Is this Report an Amendment? ☐ YES ☒ NO
3. ☐ This committee qualified as a multicandidate com- mittee during this Reporting Period on _____ (date)	

5. Covering Period 1-1-84 Through 1-31-84

6. (a) Cash on Hand January 1, 1984		\$ 264,262.32
(b) Cash on Hand at Beginning of Reporting Period	\$ 264,262.32	
(c) Total Receipts (from Line 18)	\$ 91,302.13	\$ 91,302.13
(d) Subtotal (add lines 6(b) and 6(c) for Column A and lines 6(a) and 6(c) for Column B)	\$ 355,564.45	\$ 355,564.45
7. Total Disbursements (from Line 28)	\$ 36,000.00	\$ 36,000.00
8. Cash on Hand at Close of Reporting Period (subtract line 7 from 6(d)) ..	\$ 319,564.45	\$ 319,564.45
9. Debts and Obligations Owed TO the Committee (Itemize all on Schedule C or Schedule D)	\$	
10. Debts and Obligations Owed BY the Committee (Itemize all on Schedule C or Schedule D)	\$	

For further information, contact:

Frank Hanley
Type or Print Name of Treasurer

Frank Harvey 2-10-84
SIGNATURE OF TREASURER Date

All previous versions of FEC FORM 3 and FEC FORM 3a are obsolete and should no longer be used.

--	--	--	--	--	--	--	--	--

FEC FORM 3X (3/80)



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

April 24, 1985

Treasurer
IUOE Local 302
Segregated Political Fund
Western and Clay Streets
Seattle, Washington 98121

RE: MUR 1978
IUOE Local 302
Segregated Political Fund

Dear Mr. Treasurer:

On April 16, 1985, the Federal Election Commission determined that there is reason to believe that the International Union of Operating Engineers Local 302 Segregated Political Fund and you, as treasurer, violated 2 U.S.C. § 441b(a) a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The General Counsel's factual and legal analysis, which formed a basis for the Commission's finding, is attached for your information.

Under the Act, you have an opportunity to demonstrate that no action should be taken against you and the committee. You may submit any factual or legal materials which you believe are relevant to the Commission's consideration of this matter. Please submit any such materials within ten days of your receipt of this letter. Statements should be submitted under oath.

In the absence of any additional information which demonstrates that no further action should be taken against the committee and you, as treasurer, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation. Of course, this does not preclude the settlement of this matter through conciliation prior to a finding of probable cause to believe if so desired. See 11 C.F.R. § 111.18(d).

If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address and telephone number of such counsel, and a statement authorizing such counsel to receive any notification and other communications from the Commission.

IUOE Local 302
Segregated Fund Treasurer
Page 2

The investigation now being conducted will be confidential in accordance with 2 U.S.C. § 437g(a)(4)(B) and 437g(a)(12)(A), unless you notify the Commission in writing that you wish the investigation to be made public.

For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Paul Reyes, the staff member assigned to this matter, at (202) 523-4000.

Sincerely



John Warren McGarry
Chairman

Enclosures

General Counsel's Factual and Legal Analysis
Procedures
Designation of Counsel Statement

86040575459

SENSITIVE

FEDERAL ELECTION COMMISSION
1325 K Street, N.W.
Washington, D.C. 20643

FIRST GENERAL COUNSEL'S REPORT

DATE AND TIME OF TRANSMITTAL
BY OGC TO THE COMMISSION 5/24/78

RAD Referral #85L-1
STAFF MEMBER(S)
Paul Reyes
523-4000

SOURCE OF Referral: I N T E R N A L L Y G E N E R A T E D

RESPONDENT'S NAME: Engineers Political Education Committee and
Frank Hanley, as Treasurer

INTERNAL REPORTS
CHECKED: Committee Reports

FEDERAL AGENCIES
CHECKED: None

GENERATION OF MATTER

The Reports Analysis Division (RAD) of the Federal Election Commission (the "Commission") referred this matter to the Office of General Counsel.

SUMMARY OF ALLEGATIONS

It appears that in violation of 2 U.S.C. § 441b(a) and 11 C.F.R. § 102.5(a)(1), the International Union of Operating Engineers/Engineers Political Education Committee ("EPEC") and Frank Hanley, as treasurer, have reported the transfer-in of \$25,000 from an affiliated labor organization's ~~non-federal account~~, namely, the International Union of Operating Engineers Local 302 ~~Political Fund~~.

FACTUAL AND LEGAL ANALYSIS

Section 441b(a) of Title 2, United States Code, prohibits labor organizations from making contributions of treasury funds to political committees registered pursuant to the Federal Election Campaign Act of 1971, as amended.

0040375460

Section 102.5(a) of Title 11, Code of Federal Regulations, provides that organizations establish separate federal and non-federal accounts in connection with their support of political candidates. However, only funds subject to the prohibitions and limitations of the Federal Election Campaign Act of 1971 as Amended (the "Act") shall be deposited into a separate federal account. No transfers may be made between a non-federal account and the federal account of an organization with both types. The instant transfer is acknowledged by EPEC to be from "non-federal" money. The 1984 February Monthly Report filed by EPEC disclosed a \$25,000 transfer-in from the International Union of Operating Engineers Local 302 Segregated Political Fund ("SPF") on January 17, 1984. (Attachment 1, page 4). EPEC's 1984 August Monthly Report disclosed a \$25,000 refund to SPF on July 11, 1984. (Attachment 1, page 5). A footnote on supporting schedule B indicates that the refund was necessary because of the "mistaken deposit ... of non-federal money into [EPEC's federal account]." (Id.) RAD sent EPEC an Information Notice on December 21, 1984, acknowledging the refund of the apparent impermissible funds and notifying EPEC of possible further legal consequences. (Attachment 1, page 6.) .

RAD indicates that Local 302 supports a registered, separate segregated fund which is called, IUOE Local 302 Voluntary Political Fund. ("VPF"). RAD explains that VPF reports do not disclose a transfer-out to EPEC or the receipt of a refund from EPEC. On January 16, 1985, RAD sent VPF an Information Notice advising them that the Commission may take further legal action concerning this matter. (Attachment 1, page 1.)

360403/5461

Based on the fact that EPEC reported the receipt from SPF, not VPF, and refunded it because of a "mistaken deposit ... of non-federal money into our federal EPEC account", it appears that EPEC impermissibly accepted \$25,000 from Local 302's non-federal account. This Office recommends therefore, that there is reason to believe that EPEC and Frank Hanley, as treasurer, violated 2 U.S.C. § 441b and 11 C.F.R. § 102.5(a).

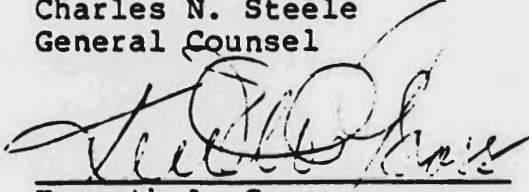
Since EPEC reported the receipt from SPF and not VPF, this Office makes no recommendations as to VPF. We recommend, however, that because EPEC says that the funds from SPF were "non-federal", there is reason to believe that ~~SPF~~ violated 2 U.S.C. § 441b(a).

RECOMMENDATIONS

1. Open a MUR.
2. Find reason to believe that the Engineers Political Education Committee and Frank Hanley, as treasurer, violated 2 U.S.C. § 441b(a) and 11 C.F.R. § 102.5(a).
3. Find reason to believe that IUOE Local 302 Segregated Political Funds Violated 2 U.S.C. § 441b(a)?
4. Approve and send attached letters and General Counsel's factual and legal analysis.

Charles N. Steele
General Counsel

March 28, 1985
Date

BY: 

Kenneth A. Gross
Associate General Counsel

Attachments

Proposed Letters (2) with Factual and Legal Analysis
Referral Materials

36040575462

REPORTS ANALYSIS REFERRAL

TO

OFFICE OF GENERAL COUNSEL

DATE: 17 January 1985

ANALYST: Edward Ryan

I. COMMITTEE: Engineers Political Education Committee
(EPEC)/International Union of Operating
Engineers (C00029504)
Frank Hanley, Treasurer
1125 17th Street, N.W.
Washington, DC 20036

II. RELEVANT STATUTE: 2 U.S.C. §441b(a)
11 CFR 102.5

III. BACKGROUND:

Receipt of Prohibited Funds

The 1984 February Monthly Report filed by the Engineers Political Education Committee - International Union of Operating Engineers ("EPEC") disclosed a \$25,000 transfer-in from the International Union of Operating Engineers Local 302 Segregated Political Fund ("SPF") on January 17, 1984 (Attachment 2).*/ EPEC's 1984 August Monthly Report disclosed a \$25,000 refund to SPF on July 11, 1984. A footnote on the supporting Schedule B indicated that the refund was necessary because of the "mistaken deposit" of non-Federal funds into EPEC's account (Attachment 3).

An Informational Notice was sent to EPEC on December 21, 1984, acknowledging the refund of the apparent impermissible funds and notifying EPEC that the Commission may take further legal steps concerning the matter (Attachment 4).

IV. OTHER PENDING MATTERS INITIATED BY RAD:

None

*/ Local 302 has a political committee registered with the Commission called IUOE Local 302 - Voluntary Political Fund ("VPF"). VPF's reports, however, failed to disclose a transfer-out or the refund of the impermissible funds. On January 16, 1985, an Informational Notice was sent to VPF advising them that the Commission may take further legal action concerning this matter.

26040575463

FEDERAL ELECTION COMMISSION
COMMITTEE INDEX OF DISCLOSURE DOCUMENTS - (2) (83-84)

DATE 3JAN85
PAGE 1

NON-PARTY RELATED

COMMITTEE	DOCUMENT	RECEIPTS	DISBURSEMENTS	TYPE OF FILER COVERAGE DATES	# OF PAGES	MICROFILM LOCATION

ENGINEERS POLITICAL EDUCATION COMMITTEE (EPEC)/INTERNATIONAL UNION OF OPERATING ENGINEERS						
CONNECTED ORGANIZATION: ENGINEERS; INT'L UNION OF OPERATING				NON-PARTY QUALIFIED	ID #C00029504	
1983	STATEMENT OF ORGANIZATION - AMENDMENT			3JAN83	5	83FEC/260/3172
	MISCELLANEOUS REPORT			1FEB83 TO FEC	2	83FEC/264/2848
	POST-SPECIAL	148,572	88,481	1JAN83 - 4MAR83	10	83FEC/268/0156
	POST-SPECIAL - AMENDMENT	-	-	1JAN83 - 4MAR83	1	83FEC/268/1577
	POST-SPECIAL - AMENDMENT	-	-	1JAN83 - 4MAR83	1	84FEC/312/4420
	REQUEST FOR ADDITIONAL INFORMATION			1JAN83 - 4MAR83	2	84FEC/308/0093
	POST-SPECIAL	19,740	59,066	5MAR83 -18APR83	11	83FEC/271/2003
	POST-SPECIAL - AMENDMENT	-	-	5MAR83 -18APR83	4	84FEC/312/3497
	POST-SPECIAL - AMENDMENT	19,740	59,066	5MAR83 -18APR83	3	84FEC/329/5175
	REQUEST FOR ADDITIONAL INFORMATION			5MAR83 -18APR83	1	84FEC/308/0091
	PRE-SPECIAL	32,200	57,871	19APR83 - 1JUN83	11	83FEC/273/1585
	PRE-SPECIAL - AMENDMENT	32,200	57,871	19APR83 - 1JUN83	4	84FEC/329/5171
	MID-YEAR REPORT	21,804	34,010	2JUN83 -30JUN83	9	83FEC/278/2125
	POST-RUN-OFF	239,297	91,277	1JUL83 -28NOV83	42	83FEC/288/4087
	YEAR-END	53,999	39,500	29NOV83 -31DEC83	34	84FEC/292/5462
1984	MISCELLANEOUS REPORT			13FEB84 TO FEC	1	84FEC/296/3727
	FEBRUARY MONTHLY	91,302	36,000	1JAN84 -31JAN84	7	84FEC/296/3728
	FEBRUARY MONTHLY - AMENDMENT	91,302	36,000	1JAN84 -31JAN84	3	84FEC/299/3786
	MARCH MONTHLY	46,780	450-	1FEB84 -29FEB84	9	84FEC/299/3789
	MARCH MONTHLY - AMENDMENT	46,780	450-	1FEB84 -29FEB84	3	84FEC/323/4059
	APRIL MONTHLY	98,089	71,000	1MAR84 -31MAR84	12	84FEC/311/1975
	APRIL MONTHLY - AMENDMENT	98,089	71,000	1MAR84 -31MAR84	3	84FEC/329/5395
	MAY MONTHLY	58,989	38,500	1APR84 -30APR84	8	84FEC/314/0554
	JUNE MONTHLY	38,159	133,200	1MAY84 -31MAY84	17	84FEC/317/3523
	JUNE MONTHLY - AMENDMENT	38,159	133,200	1MAY84 -31MAY84	3	84FEC/323/4056
	JUNE MONTHLY - AMENDMENT	38,159	133,200	1MAY84 -31MAY84	3	84FEC/329/5392
	JULY MONTHLY	36,574	35,692	1JUN84 -30JUN84	12	84FEC/323/4044
	AUGUST MONTHLY	32,232	42,600	1JUL84 -31JUL84	12	84FEC/325/2815
	1 ST LETTER INFORMATIONAL NOTICE			1JUL84 -30JUL84	2	84FEC/357/2924
	SEPTEMBER MONTHLY	33,375	67,982	1AUG84 -31AUG84	19	84FEC/328/2005
	OCTOBER MONTHLY	56,654	159,450	1SEP84 -30SEP84	52	84FEC/342/0470
	PRE-GENERAL	71,802	133,500	1OCT84 -17OCT84	50	84FEC/346/1205
	POST-GENERAL	54,376	134,709	18OCT84 -26NOV84	90	84FEC/352/0538
TOTAL		1,133,944	0 1,222,388	0	446	TOTAL PAGES

All reports listed above have been reviewed.
Ending cash-on-hand as of 11/26/84: \$30,414.93
Outstanding debts and obligations as of 11/26/84: 0.00



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

17 January 1985

MEMORANDUM

TO: CHARLES N. STEELE
GENERAL COUNSEL

THROUGH: JOHN C. SURINA
STAFF DIRECTOR

FROM: JOHN D. GIBSON *[Signature]*
ASSISTANT STAFF DIRECTOR
REPORTS ANALYSIS DIVISION

SUBJECT: REFERRAL OF THE ENGINEERS POLITICAL EDUCATION COMMITTEE
(EPEC)/INTERNATIONAL UNION OF OPERATING ENGINEERS

This is a referral of the Engineers Political Education Committee/International Union of Operating Engineers ("EPEC"). EPEC received an apparent transfer from the non-Federal account of a registered Federal committee, totalling \$25,000. The money was later refunded because it came from apparent prohibited sources. Although the Federal committee was informed of possible further legal action, a separate referral has not been prepared.

If you have any questions, please contact Ed Ryan at 523-4048.

Attachment

96040575465

SCHEDULE A

ITEMIZED RECEIPTS

February Monthly Report - 1984

 Page 1 of 1 for
 LINE NUMBER 12
 (Use separate schedule for each category of the Detailed Summary Page)

Any information copied from such Reports or Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

Name of Committee (in Full) Engineers Political Education Committee (EPEC) International Union of Operating Engineers (IUOE)			
A. Full Name, Mailing Address and ZIP Code IUOE Local 15 AFL-CIO Federal Political Action Committee 265 West 14th Street New York, NY 10011	Name of Employer	Date (month, day, year)	Amount of Each Receipt This Period
	N/A	1-5-84	
Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Occupation	Aggregate Year-to-Date-\$	
	N/A	15,000.00	
B. Full Name, Mailing Address and ZIP Code IUOE Local 302 Segregated Political Fund Western Avenue & Clay Street Seattle, WA 98121	Name of Employer	Date (month, day, year)	Amount of Each Receipt This Period
	N/A	1-17-84	
Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Occupation	Aggregate Year-to-Date-\$	
	N/A	25,000.00	
C. Full Name, Mailing Address and ZIP Code IUOE Local 137 Political Action Committee 1360 Pleasantville Road Briarcliff Manor, NY 10510	Name of Employer	Date (month, day, year)	Amount of Each Receipt This Period
	N/A	1-17-84	
Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Occupation	Aggregate Year-to-Date-\$	
	N/A	18,000.00	
D. Full Name, Mailing Address and ZIP Code IUOE Local 150 Engineers Political Education Committee 6200 Joliet Road Countryside, IL 60525	Name of Employer	Date (month, day, year)	Amount of Each Receipt This Period
	N/A	1-20-84	
Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Occupation	Aggregate Year-to-Date-\$	
	N/A	3,747.53	
E. Full Name, Mailing Address and ZIP Code IUOE Local 4 Social Action Committee 120 Mt. Hope Street Rosindale, MA 02131	Name of Employer	Date (month, day, year)	Amount of Each Receipt This Period
	N/A	1-31-84	
Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Occupation	Aggregate Year-to-Date-\$	
	N/A	3,000.00	
F. Full Name, Mailing Address and ZIP Code IUOE Local 463 Federal Political Action Committee 2733 Niagara Street Niagara Falls, NY 14303	Name of Employer	Date (month, day, year)	Amount of Each Receipt This Period
	N/A	1-31-84	
Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Occupation	Aggregate Year-to-Date-\$	
	N/A	500.00	
G. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt This Period
Receipt For: ☐ Primary ☐ General ☐ Other (specify):	Occupation	Aggregate Year-to-Date-\$	
SUBTOTAL of Receipts This Page (optional)			
TOTAL This Period (last page this line number only)			\$65,247.53

b3 15703205 / 3340

SCHEDULE B

ITEMIZED DISBURSEMENTS

ATTACHMENT #3
Page 1 of 1 for
LINE NUMBER 27
(Use separate schedule(s) for each
category of the Detailed
Summary Page)

August Monthly Report - 1984

Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

Name of Committee (in Full)
Engineers Political Education Committee (EPEC)/Int'l. Union of Operating Engineers (IUOE)

A. Full Name, Mailing Address and ZIP Code IUOE Local 302 Segregated Political Fund Western and Clay Streets Seattle, WA 98121	Purpose of Disbursement *See Below - Refund Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year) 07/11/84	Amount of Each Disbursement This Period \$25,000.00
B. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year)	Amount of Each Disbursement This Period
C. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year)	Amount of Each Disbursement This Period
D. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year)	Amount of Each Disbursement This Period
E. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year)	Amount of Each Disbursement This Period
F. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year)	Amount of Each Disbursement This Period
G. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year)	Amount of Each Disbursement This Period
H. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year)	Amount of Each Disbursement This Period
I. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year)	Amount of Each Disbursement This Period
SUBTOTAL of Disbursements This Page (optional)			
TOTAL This Period (last page this line number only)			\$25,000.00

*To refund the mistaken deposit on 1/17/84 of non federal money into our federal EPEC account. This receipt had been reported on the January, 1984 EEC Report as a transfer from an affiliated committee.

840330527



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

RQ-5

Frank Hanley, Treasurer
Engineers Political Education
Committee (EPEC)/International
Union of Operating Engineers
1125 17th Street, NW
Washington, DC 20036

DEC 21 1984

Identification Number: C00029504

Reference: August Monthly Report (7/1/84-7/30/84)

Dear Mr. Hanley:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

-The Commission notes the refund of the apparent impermissible funds received from organizations, which are not registered political committees. Although the Commission may take further legal steps concerning the acceptance of impermissible funds, the prompt action by your committee will be taken into consideration.

Any amendment or clarification should be filed with the Federal Election Commission. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530. My local number is (202) 523-4048.

Sincerely,

A handwritten signature in cursive script that reads "Edward Ryan".

Edward Ryan
Reports Analyst
Reports Analysis Division

84033572924
360405/5468



FEDERAL ELECTION COMMISSION

1125 K STREET NW
WASHINGTON, D.C. 20543

THIS IS THE BEGINNING OF MUR # 1978

Date Filmed 4/30/86 Camera No. --- 2

Cameraman AS

35040375469