



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THIS IS THE BEGINNING OF MUR # 2845

DATE FILMED 8/16/89 CAMERA NO. 2

CAMERAMAN AS

89040760418



Independent Federation of Flight Attendants

630 Third Avenue, New York, New York 10017

(212) 818-1130

VICTORIA L. FRANKOVICH
PRESIDENT

March 1, 1989

89 MAR -6 AM 10:52

RECEIVED
FEDERAL ELECTION COMMISSION
ADMINISTRATIVE DIVISION

Office of General Counsel
Federal Election Commission
Washington DC 20463

Dear Counsel:

The Independent Federation of Flight Attendants (IFFA) is the recognized bargaining agent for the flight attendants at Trans World Airlines. As President of IFFA, I wish to file a complaint against William H. Hoar, Vice President of Labor Relations at Trans World Airlines, and Trans World Airlines for non-compliance with the Federal Election Campaign Act of 1976.

In two letters, dated October 7, 1988, and November 30, 1988, I requested Mr. Hoar to provide the methods of soliciting voluntary political contributions or facilitating the making of voluntary political contributions used by TWA.

In letter dated December 7, 1988, Mr. Hoar responded by stating that there "would not appear to be any obligation on our part at the present time to make available any solicitations methods to IFFA." Although he indicated the matter had been forwarded to TWA Legal Department, to date I have received no response from that department.

On January 13, 1989, Joan Wages from my office telephoned Joe McKnight in TWA's Payroll Department and was told that payroll deduction was available for voluntary contributions to TWA's political action committee. TWA's year end filing for 1988 would also indicate that payroll deduction is one method TWA uses to facilitate contributions.

Once again, on January 25, 1989, I asked William Hoar to comply with our request. To date, I have not received a response.

In the FEC Advisory Opinion 1982-45 question number three is answered with the following:

Office of General Counsel
March 1, 1989
Page Two

. . . that any corporation . . . that uses a method of soliciting voluntary contributions, or facilitating (emphasis added) the making of voluntary contributions, from its stockholders or executive or administrative personnel shall make that method available to a labor organization representing any members working for the corporation or its affiliate.

Based on this Advisory Opinion, I believe William Hoar and TWA to be in violation of 11 CFR 114.5(k). All documents referred to in this complaint are enclosed. Please notify me of additional steps necessary to obtain TWA's compliance with federal regulations.

Sincerely,



Vicki Frankovich

VF26B.35

39040760420



Independent Federation of Flight Attendants

630 Third Avenue, New York, New York 10017

(212) 818-1130

VICTORIA L. FRANKOVICH
PRESIDENT

October 7, 1988

Mr. William Hoar
Vice President - Labor Relations
Trans World Airlines, Inc.
605 Third Avenue
New York, NY 10158

Dear Mr. Hoar,

The Federal Election Campaign Act Amendments of 1976 provide that:

"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."

This letter is the written request which will oblige TWA to make available to IFFA the methods of soliciting voluntary political contributions, or facilitating the making of voluntary political contributions used by TWA.

We request that you state to us the methods of soliciting voluntary contributions or facilitating the making of voluntary contributions used by TWA. We will then determine which of these IFFA will also use.

This request is made on the understanding that our correlative rights are qualified by the obligation to reimburse TWA for any expenses incurred thereby. We are, of course, prepared to meet that obligation.

To minimize unnecessary paperwork, this request is intended to be of a continuing nature. If TWA determines in the future to utilize a method of soliciting voluntary contributions or facilitating the making of voluntary contributions, we expect to be promptly advised of that action. We will then determine whether or not to take advantage of our correlative rights.

Sincerely,

Vicki Frankovich

Vicki Frankovich

571

89040760421



Independent Federation of Flight Attendants

630 Third Avenue, New York, New York 10017

(212) 818-1130

VICTORIA L. FRANKOVICH
PRESIDENT

CERTIFIED MAIL -- RETURN RECEIPT

November 30, 1988

Mr. J. W. Hoar
Vice President -- Labor Relations
Trans World Airlines, Inc.
605 Third Avenue
New York, NY 10158

Re: Voluntary Contributions

Dear Mr. Hoar:

By letter to you dated October 7, 1988 (a copy of which is enclosed) I requested, pursuant to the Federal Election Laws, that TWA make available to IFFA the methods of soliciting voluntary political contributions, or facilitating the making of voluntary political contributions used by TWA. My letter to you also requested you to inform IFFA of the methods of soliciting voluntary contributions or facilitating the making of voluntary contributions used by TWA, so that IFFA could determine which methods we will also use.

To date you have not only failed to provide the information and make available the methods requested, you have failed to respond to my letter in any manner whatsoever.

Please be advised that under the Federal Election Laws, once IFFA made the requests I made in my October 7, 1988 letter, TWA was legally obligated to comply. In the hope that TWA will recognize and comply with its duty under the law, I repeat the requests made in my original letter to you.

In the event that TWA does not comply with these requests by December 15, 1988, our attorneys have been directed to take whatever legal steps are appropriate to enforce IFFA's rights under the Federal Election Laws, including but not limited to, filing a complaint with the Federal Election Commission.

Mr. J. W. Hoar
November 30, 1988
Page Two

It is our hope that legal action to enforce such a clear obligation on TWA's part will not prove necessary.

Sincerely,

Vicki Frankovich
Vicki Frankovich

cc: K. Lantz
B. Hoffman

VF25B.59

89040760423

TRANS WORLD AIRLINES

605 THIRD AVENUE - NEW YORK, NEW YORK 10158 - U.S.A.

VICE PRESIDENT
INDUSTRIAL RELATIONS

December 7, 1988

Ms. Victoria L. Frankovich
President
Independent Federation of
Flight Attendants
630 Third Avenue
New York, New York 10017

Re: Federal Election Campaign Act

Dear Ms. Frankovich:

This is in response to your letter of November 30, subject as above.

Your letter of October 7 was referred to our Legal Department for review. Because of the unique nature of this matter, they have not yet completed their research. Preliminarily, I can tell you that the TWA Political Action Committee has not solicited contributions for the past two years, and consequently there would not appear to be any obligation on our part at the present time to make available any solicitation methods to IFFA.

In any event, I will be in further contact with you on this subject after the Legal Department has completed its review of this matter.

Sincerely yours,


J. W. Hoar

89040760424



Independent Federation of Flight Attendants

630 Third Avenue, New York, New York 10017

(212) 818-1130

VICTORIA L. FRANKOVICH

PRESIDENT

January 25, 1989

Mr. William Hoar
Vice President, Labor Relations
Trans World Airlines, Inc.
100 South Bedford Road
Mount Kisco, NY 10549

Dear Mr. Hoar:

By letter dated October 7, 1988 (copy attached), I requested that you identify those methods that are used by TWA for soliciting voluntary contributions or facilitating the making of voluntary contributions. As stated, IFFA requests that TWA make available to IFFA those very same methods established by TWA for facilitating the making of voluntary political contributions by TWA management.

By letter dated December 7, 1988, you responded to my request stating (1) that my letter was referred to your Legal Department for review, (2) that, because TWA has not solicited contributions, there would not appear to be any obligation to make available to IFFA any such methods, and (3) that you would be in contact with me at a later date.

To date, I have yet to hear from you regarding this matter. In the absence of any response from you, we contacted the Federal Election Commission regarding IFFA's request. We have been advised that the Commission's regulations (11 CFR 114.5(k)) provide that any corporation that uses a method of soliciting voluntary contributions, or facilitating the making of voluntary contributions, must make that method available to a labor organization representing any members working for the corporation. Under the Commission's regulations, if TWA utilizes payroll deductions as a means of facilitating voluntary contributions, then payroll deductions for IFFA members employed by TWA must be made available to IFFA and any political fund that it may establish. Contrary to your preliminary observation, we have not been advised of any authority that would limit TWA's obligation only to the solicitation of contributions.

89040760425

I again renew my request that you make available to IFFA the methods that have been or are being used by TWA to facilitate the making of voluntary contributions by administrative, management or staff personnel to any political fund.

In view of the time that has already passed, we would appreciate this information within the next two weeks. In the event that no response is forthcoming, we will pursue whatever means are available to secure TWA's compliance with this request.

Sincerely,

Vicki Frankovich

Vicki Frankovich

JW3.151

c
IF
na

in
w
r
e
6

at
ce
om
mi
the
le
c
yr
n
ia
or
ou
3
0
4
0
7
6
0
4
2
6

SCHEDULE A

ITEMIZED RECEIPTS

 on separate schedule A
 for each category of the
 following receipts: Page

 PAGE 1 OF 2
 FORM NO. 11 (a) (1)

NAME OF COMMITTEE (Print)

Trans World Airlines Political Action Committee (TWA-PAC)

A. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Contribution (this Period)
William S. Borden 7 Iris Court Somerset, New Jersey 08811	TWA	11/30/88 12/31/88	\$30.00 10.00
☒ Primary ☐ General	Occupation: Staff VP in Flight Service	Aggregate Year to Date: \$ 190.00	
B. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Contribution (this Period)
W. B. Clark Route 1, Box 110A Platte City, Missouri 64079	TWA	11/30/88 12/31/88	20.00 20.00
☒ Primary ☐ General	Occupation: Director Aircraft Development.	Aggregate Year to Date: \$ 280.00	
C. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Contribution (this Period)
Steve Daniels 15 Blind Brook Road Westport, Connecticut 06880	TWA	11/30/88 12/31/88	20.00 20.00
☒ Primary ☐ General	Occupation: Staff VP Leisure Club Marketing.	Aggregate Year to Date: \$ 260.00	
D. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Contribution (this Period)
R. Daniel Devlin 15220 Carrollton Road Rockville, Maryland 29753	TWA	11/30/88 12/31/88	20.00 20.00
☒ Primary ☐ General	Occupation: Director Legislative Affairs.	Aggregate Year to Date: \$ 280.00	
E. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Contribution (this Period)
Larry C. Malmstrom 19 N.W. 44th Street Kansas City, Missouri 64116	TWA	11/30/88 12/31/88	30.00 45.00
☒ Primary ☐ General	Occupation: Flight Manager Training.	Aggregate Year to Date: \$ 435.00	
F. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Contribution (this Period)
Mark S. Melvany 4008 North Windotte Kansas City, Missouri 64116	TWA	11/30/88 12/31/88	25.00 25.00
☒ Primary ☐ General	Occupation: Vice President Acct. & Credit Oper.	Aggregate Year to Date: \$ 325.00	
G. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Contribution (this Period)
Jerry Nichols 7096 N.W. Pleasant Ford Weatherford, Texas 75150	TWA	11/30/88 12/31/88	25.00 25.00
☒ Primary ☐ General	Occupation: Vice President Airport Operations.	Aggregate Year to Date: \$ 300.00	

SUBTOTAL

TOTAL

89040760427

SCHEDULE A

ITEMIZED RECEIPTS

Use separate schedules
for each category of the
Detailed Summary Page

PAGE

1

LINE No.

1100

Any information reported on this schedule may not be subject to audit by the IRS for the purpose of determining the tax liability of the donor. Donors are urged to retain records of their contributions for their own records.

NAME OF COMMITTEE (see Form)

Trans World Airlines Political Action Committee (TWA-PAC)

A. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Receipt (this)
Craig S. Paylus 377 Glenbrook Road, No. 11 Glenbrook, Connecticut 06905	TWA Staff VP Passenger Sales	11/30/88 12/31/88	\$30.00 30.00
Aggregate Year to Date		\$ 390.00	
B. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Receipt (this)
H.B. Pratt 13469 Cedar Bridge Road St. Louis, Missouri 63141	TWA General Manager Flying Central Region	11/30/88 12/31/88	20.00 30.00
Aggregate Year to Date		\$270.00	
C. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Receipt (this)
Stephen J. Slade 2450 Virginia Avenue, N.W. Apartment EE 109 Washington, D.C. 20037	TWA Vice President Government Affairs	11/30/88 12/31/88	20.00 20.00
Aggregate Year to Date		\$ 260.00	
D. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Receipt (this)
T.R. Stacey Southfield Drive c/o General Delivery Pottersville, New Jersey 07979	TWA Flight Manager	11/30/88 12/31/88	20.00 30.00
Aggregate Year to Date		\$ 290.00	
E. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Receipt (this)
John W. Westad 27602 Fawn Skin Drive Rancho Palos Verdes, CA 90274	TWA Regional Director Properties & Facilities	11/30/88 12/31/88	20.00 20.00
Aggregate Year to Date		\$ 280.00	
F. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Receipt (this)
G. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Receipt (this)

SUM TOTAL

TOTAL

\$ 390.00

89040760428



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 30, 1982

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

ADVISORY OPINION 1982-45

Ann M. Dumenil
Jennings, Strouss & Salmon
111 West Monroe
Phoenix, Arizona 85003

Dear Ms. Dumenil:

This responds to your letter of June 15, 1982, requesting an advisory opinion concerning application of the Federal Election Campaign Act of 1971, as amended ("the Act"), and Commission regulations to a number of questions concerning the potential affiliation between the Salt River Project Agricultural Improvement & Power District (the "District") and the Salt River Valley Water Users' Association (the "Association").

In your request, submitted on behalf of the District, you indicate that the District and the Association came into existence as a result of the Salt River Project (the "Project"). The Project, a Federal reclamation project originated by the Reclamation Act of 1902, began operations in 1903 for the purpose of irrigating farm land in the Salt River Valley. The Association was organized as an Arizona corporation in 1903 to serve as the representative of the landowners, for whose benefit the irrigation system was being constructed, in any dealings with the Project. The Association and the United States government cooperated in the financing and construction of the Project with the Association agreeing to repay the United States all construction costs. The Government then required membership in the Association as a condition for receipt of stored and developed water from the reclamation project. From 1904 until 1937, first with the U.S. Government then alone, the Association operated and maintained the Project. In 1937, the Association,

RECEIVED
OFFICE OF THE
COMMISSION SECRETARY
82 AUG 2 A 9: 29

89040700429

with the cooperation of the Arizona legislature, formed the District in order to reduce the expense of operating the Project. The District was organized as a special district denominated a political subdivision of the State of Arizona. This quasi-governmental status allowed the District to issue bonds at a much lower rate of interest than those issued by the Association thus enabling the shareholders of the Association, who would ultimately purchase the District bonds, to save a substantial sum of money. The District is essentially, and has been recognized as such by the courts, a business enterprise created by and chiefly benefiting a specific group of landowners, and has been allowed to become a nominal public entity in order to obtain inexpensive bond financing. Ball v. James, 101 S.Ct. 1811, 1819 (1981).

In 1937, the Association transferred, subject to paramount interest of the United States, all of its property to the District and agreed to perform all of its obligations in connection with the care, operation and maintenance of the Project on behalf of the District. The District agreed to provide capital and operating funds to the Association to support operation of the Project by the Association. Since 1949 the District has operated the power generating function of the Project while the Association operates the water delivery system as an agent for the District. In addition, the management staff of the District and the Association have been the same since 1949.

In your request you ask several questions:

(1) Whether the District and the Association are affiliates under the Commission regulations thus enabling District executive and administrative personnel (and their families) to be solicited by the Association's political action committee, the Project Political Involvement Committee ("PPIC")?

(2) Whether the regulations permit twice yearly solicitations by PPIC of non-executive employees of both the District and the Association?

(3) Whether the local union of the Salt River Project is entitled to payroll deductions to facilitate voluntary contributions to its political fund from those of its members who are employed by the District and the Association?

89040760430

The Commission answers all of the questions presented in the affirmative. In response to the first question, the Commission concludes that as a result of the close financial and managerial interrelationships, outlined above, between the District and the Association the two entities are affiliated organizations. The Project is the joint responsibility of the District and the Association; the District is comprised entirely of Association members; the same individuals have managed both organizations since 1949; and the District was created solely by and for the members of the Association. As affiliated entities the Association or its political action committee, PPIC, can solicit the executive and administrative personnel (and their families) of the District. 11 CFR 114.5(g)(1). See Advisory Opinion 1977-71, copy enclosed.

As a result of affiliation, and in response to the second question presented, the Association or PPIC may make a total of two written solicitations each calendar year for contributions to PPIC from the non-executive employees of the District or the Association. 2 U.S.C. §441b(b)(4)(A). 11 CFR 114.6.

In response to the third question, the Commission's regulations, at 11 CFR 114.5(k), provide that any corporation, including its affiliates, that uses a method of soliciting voluntary contributions, or facilitating the making of voluntary contributions, from its stockholders or executive or administrative personnel shall make that method available to a labor organization representing any members working for the corporation or its affiliates. You attached to your request a letter from Local 266 of the International Brotherhood of Electrical Workers ("IBEW") which indicated that it would like to initiate a payroll deduction plan for political contributions from its members who work for the Association and the District. Presently, payroll deduction exists only for IBEW members employed by the Association. Under the Commission's regulations since the Association and the District are affiliates of each other, if either uses payroll deductions as a means of facilitating voluntary contributions to PPIC, then payroll deduction for union members employed by either the Association, or the District, must be made available to Local 266 and its separate segregated political fund. 11 CFR 114.5(k)(1). See also Matter Under Review 994/947 where the Commission found that when a corporation utilizes payroll deduction for its executive and administrative personnel to facilitate voluntary contributions in one of the corporation's affiliates or subsidiaries, the corporation must make that plan available to the union members employed by any of the corporation's affiliates and subsidiaries.

89040760431

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 by your request. See 2 U.S.C. §437f.

Sincerely,

Frank P. Reiche

Frank P. Reiche
Chairman for the
Federal Election Commission

Enclosure (AO 1977-71)

89040760432



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20461

March 13, 1989

Victoria L. Frankovich, President
Independent Federation Of Flight
Attendants
630 Third Avenue
New York, NY 10017

Dear Ms. Frankovich:

We have received your letter on March 6, 1989, regarding the possibility of a violation of the Federal Election Campaign Act of 1971, as amended ("the Act").

The 1976 amendments to the Act and Federal Election Commission regulations require that a complaint meet certain specific requirements. Your letter does not meet these requirements. Consequently, the Commission can take no action at this time to investigate this matter.

However, if you desire the Commission to look into the matter discussed in your letter to determine if the Act has been violated, a formal complaint as described in 2 U.S.C. Section 437g(a)(1) must be filed. Requirements of this section of the law and Commission regulations at 11 C.F.R. Section 111.4 which are a prerequisite to Commission action are detailed below:

- (1) A complaint must be in writing.
(2 U.S.C. Section 437g(a)(1))
- (2) Its contents must be sworn to and signed in the presence of a notary public and shall be notarized.
(2 U.S.C. Section 437g(a)(1))
- (3) A formal complaint must contain the full name and address of the person making the complaint.
(11 C.F.R. Section 111.4)
- (4) A formal complaint should clearly identify as a respondent each person or entity who is alleged to have committed a violation. (11 C.F.R. Section 111.4)
- (5) A formal complaint should clearly identify the source of information upon which the complaint is based. (11 C.F.R. Section 111.4)
- (6) A formal complaint should contain a clear and concise recitation of the facts describing the violation of a

39040760433

statute or law over which the Commission has jurisdiction. (11 C.F.R. Section 111.4)

- (7) A formal complaint should be accompanied by supporting documentation if known and available to the person making the complaint.
(11 C.F.R. Section 111.4)

Finally, please include your telephone number, as well as the full names and addresses of all respondents.

Enclosed is a copy of Commission regulations, and your attention is directed to 11 C.F.R. Section 111.4 through Section 111.10 that deal with preliminary enforcement procedures. Also, enclosed is a compilation of Federal Election Campaign laws on which these regulations are promulgated. I trust these materials will be helpful to you should you wish to file a legally sufficient complaint with the Commission. The file regarding this correspondence will remain confidential for a 15 day time period during which you may file an amended complaint as specified above.

If we can be of any further assistance, please do not hesitate to contact me at (202) 376-8200.

Sincerely,

Lawrence M. Noble
General Counsel

By: 
Lois G. Verner
Associate General Counsel

Enclosures
Excerpts
Procedures

cc: respondents

89040760434



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

March 13, 1989

William Hoar, Vice President
Labor Relations
Trans World Airlines, Inc.
605 Third Avenue
New York, NY 10158

Dear Mr. Hoar:

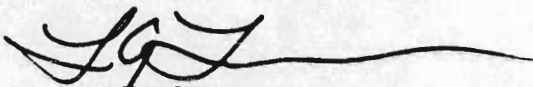
On March 6, 1989, the Federal Election Commission received a letter alleging that you violated sections of the Federal Election Campaign Act of 1971, as amended. As indicated from the copy of the enclosed letter addressed to the complainant, those allegations do not meet certain specified requirements for the proper filing of a complaint. Thus, no action will be taken on this matter unless the allegations are refiled meeting the requirements for a properly filed complaint. If the matter is refiled, you will be notified at that time.

This matter will remain confidential for 15 days to allow for the correction of the defects. If the defects are not cured and the allegations are not refiled, no additional notification will be provided and the file will be closed.

If you have any questions, please call Retha Dixon, Docket Chief, at (202) 376-3110.

Sincerely,

Lawrence M. Noble
General Counsel


By: Lois G. Lerner
Associate General Counsel

Enclosures

Copy of Improper Complaint
Copy of letter to the Complainant

89040760435



FEDERAL ELECTION COMMISSION

WASHINGTON DC 20463

March 13, 1989

Trans World Airlines, Inc.
605 Third Avenue
New York, NY 10158

Gentlemen:

On March 6, 1989, the Federal Election Commission received a letter alleging that Trans World Airlines, Inc. violated sections of the Federal Election Campaign Act of 1971, as amended. As indicated from the copy of the enclosed letter addressed to the complainant, those allegations do not meet certain specified requirements for the proper filing of a complaint. Thus, no action will be taken on this matter unless the allegations are refiled meeting the requirements for a properly filed complaint. If the matter is refiled, you will be notified at that time.

This matter will remain confidential for 15 days to allow for the correction of the defects. If the defects are not cured and the allegations are not refiled, no additional notification will be provided and the file will be closed.

If you have any questions, please call Retha Dixon, Docket Chief, at (202) 376-3110.

Sincerely,

Lawrence M. Noble
General Counsel

By: 
Lois S. Lerner
Associate General Counsel

Enclosures

Copy of Improper Complaint
Copy of letter to the Complainant

89040760436



Independent Federation of Flight Attendants

630 Third Avenue, New York, New York 10017

(212) 818-1130

06C 2410

Mon 2845

VICTORIA L. FRANKOVICH
PRESIDENT

April 3, 1989

RECEIVED
FEDERAL ELECTION COMMISSION
ADMINISTRATIVE DIVISION
89 APR 10 AM 8:52

Office of General Counsel
Federal Election Commission
Washington DC 20463

Dear Sir or Madam:

The Independent Federation of Flight Attendants ("IFFA") is the duly certified collective bargaining representative of the flight attendants employed by Trans World Airlines, Inc. As President of IFFA, I, Victoria Lee Frankovich, wish to file a formal complaint against William H. Hoar, Vice President of Labor Relations of Trans World Airlines, Inc. (100 S. Bedford Road, Mount Kisco, New York 10549) and Trans World Airlines, Inc. for their apparent noncompliance with the Federal Election Campaign Act of 1976.

In letters dated October 7, 1988 and November 30, 1988, I requested that Mr. Hoar provide to IFFA the methods of soliciting or facilitating the making of voluntary political contributions used by TWA. True copies of those letters are attached hereto.

Having received no response, on January 13, 1989, Ms. Joan Wages from my office telephoned Mr. Joe McKnight in TWA's Payroll Department and was told that payroll deduction was available for the making of voluntary contributions by administrative and executive employees to TWA's political action committee. TWA's year end filing for 1988 would also indicate that payroll deduction was one method TWA used to facilitate contributions.

Once again, by letter dated January 25, 1989, I requested that Mr. Hoar comply with my previous requests. By letter dated February 10, 1989, Mr. Hoar responded, stating that TWA is currently reviewing "what, if any methods are presently being used by TWA. . .". True copies of this correspondence are attached hereto. To date, I have not yet received a response from Mr. Hoar.

Based upon FEC Advisory Opinion 1982-45, it would appear that Mr. Hoar and TWA are in violation of the Act. To date, TWA has failed to make available to IFFA and its members those methods of facilitating voluntary contributions used by TWA. Moreover, it has now been almost

89040760437

Office of General Counsel

April 3, 1989

Page Two

six months since IFFA's initial request and Mr. Hoar has yet to even identify or acknowledge those methods used by TWA to facilitate contributions.

Please consider this letter as IFFA's formal complaint against Mr. Hoar and TWA and request that the Commission investigate this matter. I believe that this letter complies with any formal requirements set out in 11 CFR Section 111.4.

If you have questions regarding the above or if additional steps are necessary with respect to the filing of a complaint, please do not hesitate to contact me.

Sincerely,

Victoria L. Frankovich
Victoria L. Frankovich

Signed and sworn to before me this 3rd day of April, 1989.

Marietta A. Lauro

MARIETTA A. LAURO
Notary Public, State of New York
No. 30-4847281
Qualified in Nassau County
Commission Expires March 28, 1990 2/28/90

VF 26B.35

83040760438

TWA

Trans World Airlines, Inc.
100 South Bedford Road
New York, New York 10149

J. W. Hoar
President
Employees Relations



February 10, 1989

Ms. Victoria L. Frankovich
President
Independent Federation of
Flight Attendants
630 Third Avenue
New York, NY 10017

Dear Ms. Frankovich:

In response to your letter dated January 25, 1989, TWA will, to the extent required by the Federal Election Campaign Act and the regulations of the Federal Election Commission, make available to labor organizations such as IFFA, any method used by the corporation in the solicitation of voluntary political contributions.

We are reviewing what, if any methods are presently being used by TWA and you will be informed as to the results of our review shortly.

Very truly yours,


J. W. Hoar

89 APR 10 PM 12:11

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF THE CLERK
WASHINGTON, D.C. 20543

89040760439



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

April 17, 1989

Trans World Airlines, Inc.
100 S. Bedford Road
Mount Kisco, NY 10549

Re: MUR 2845
Trans World Airlines,
Inc.

Gentlemen:

The Federal Election Commission received a complaint which alleges that Trans World Airlines, Inc. may have violated the Federal Election Campaign Act of 1971, as amended (the "Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 2845. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against Trans World Airlines, Inc. in this matter. Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements should be submitted under oath. Your response, which should be addressed to the General Counsel's Office, must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

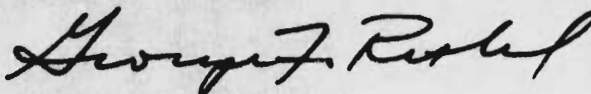
This matter will remain confidential in accordance with Section 437g(a)(4)(B) and Section 437g(a)(12)(A) of Title 2 unless you notify the Commission in writing that you wish the matter to be made public. If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address, and telephone number of such counsel, and authorizing such counsel to receive any notifications and other communications from the Commission.

89040760440

If you have any questions, please contact Jeff Long, the staff person assigned to this matter, at (202) 376-5690. For your information, we have attached a brief description of the Commission's procedures for handling complaints.

Sincerely,

Lawrence M. Noble
General Counsel



By: George F. Rishel
Acting Associate General
Counsel

Enclosures

1. Complaint
2. Procedures
3. Designation of Counsel Statement

89040760441



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

April 17, 1989

Mr. William H. Hoar
Vice President of Labor
Relations
Trans World Airlines, Inc.
100 S. Bedford Road
Mount Kisco, NY 10549

RE: MUR 2845
William H. Hoar

Dear Mr. Hoar:

The Federal Election Commission received a complaint which alleges that you may have violated the Federal Election Campaign Act of 1971, as amended (the "Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 2845. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against you in this matter. Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements should be submitted under oath. Your response, which should be addressed to the General Counsel's Office, must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

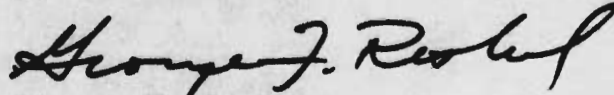
This matter will remain confidential in accordance with Section 437g(a)(4)(B) and Section 437g(a)(12)(A) of Title 2 unless you notify the Commission in writing that you wish the matter to be made public. If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address, and telephone number of such counsel, and authorizing such counsel to receive any notifications and other communications from the Commission.

89040760442

If you have any questions, please contact Jeff Long, the staff person assigned to this matter, at (202) 376-5690. For your information, we have attached a brief description of the Commission's procedures for handling complaints.

Sincerely,

Lawrence M. Noble
General Counsel



By: George F. Rishel
Acting Associate General
Counsel

Enclosures

1. Complaint
2. Procedures
3. Designation of Counsel Statement

89040760443



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

April 17, 1989

Ms. Victoria L. Frankovich
President
Independent Federation of
Flight Attendants
630 Third Avenue
New York, NY 10017

RE: MUR 2845

Dear Ms. Frankovich:

This letter acknowledges receipt on April 10, 1989, of your complaint alleging possible violations of the Federal Election Campaign Act of 1971, as amended (the "Act"), by William H. Hoar and Trans World Airlines, Inc. The respondents will be notified of this complaint within five days.

You will be notified as soon as the Federal Election Commission takes final action on your complaint. Should you receive any additional information in this matter, please forward it to the Office of the General Counsel. Such information must be sworn to in the same manner as the original complaint. We have numbered this matter MUR 2845. Please refer to this number in all future correspondence. For your information, we have attached a brief description of the Commission's procedures for handling complaints. If you have any questions, please contact Retha Dixon, Docket Chief, at (202) 376-3110.

Sincerely,

Lawrence M. Noble
General Counsel

By: George F. Rishel
Acting Associate General
Counsel

Enclosure
Procedures

89040760444

TWA

Trans World Airlines, Inc.
100 South Bedford Road
Mt. Kisco, New York 10549
Telephone 914-242-4000 Fax 914-242-3900

Assistant General Counsel
Direct Dial Number 914-242- 3416

April 17, 1989

Honorable Lawrence M. Noble
General Counsel
Federal Election Commission
Washington, D.C. 20463

Attn: Lois G. Lerner
Associate General Counsel

Re: Independent Federation of Flight Attendants
Political Action Committee

Dear Mr. Noble:

Your letter dated March 13, 1989 to William Hoar was forwarded to me.

While we deny any violation of federal election laws or regulations in connection with the matters raised by Ms. Victoria Frankovich in her letter to your office of March 1, 1989, we have determined to make available to the Independent Federation of Flight Attendants (IFFA) a payroll deduction plan for contributions by IFFA-represented TWA employees to its political action committee.

We are in the process of discussing with IFFA officials the details of how the payroll deduction plan will be implemented, and therefore believe that this matter will be satisfactorily resolved by the parties and should not require any further action on the part of the Commission or your office.

In the event any future communication is required on this subject, please direct same to me. Thank you very much.

Sincerely yours,

Michael A. Katz

MAK:ir

ICahn Enterprises

Trans World Airlines • ACF Industries, Inc. • Icahn & Co., Inc., Member NYSE • Baystate Realty & Capital Corp. • Foxfield Therapeutics, Inc.

06C 2509

2845

89 APR 19 AM 10:06

RECEIVED
FEDERAL ELECTION COMMISSION

89 APR 19 AM 9:01

RECEIVED
FEDERAL ELECTION COMMISSION



Independent Federation of Flight Attendants

630 Third Avenue, New York, New York 10017

(212) 818-1130

VICTORIA L. FRANKOVICH
PRESIDENT

May 4, 1989

Office of General Counsel
Federal Election Commission
Washington, DC 20463

Re: MUR 2845

Dear Sir or Madam:

I am enclosing a signed agreement which reflects an understanding that Trans World Airlines, Inc. will implement a Political Action Payroll Deduction for Flight Attendants.

I am pleased that we were able to resolve this dispute and am hereby withdrawing the charges filed with your office on April 3, 1989.

Thank you for your time and attention to this matter.

Sincerely,

Victoria L. Frankovich

Signed and sworn to before me
this 4th day of May, 1989

MARIETTA A. LAURO
Notary Public, State of New York
No. 30-4847251
Qualified in Nassau County
Commission Expires March 30, 1990 2-28-90

VF26B.162

3 7 0 4 0 7 6 0 4 4 6

89 MAY -8 AM 9:12

TWA

Trans World Airlines, Inc.
100 South Bedford Road
Mt. Kisco, New York 10549
Telephone 914-242-4000 Fax 914-242-3900

Assistant General Counsel
Direct Dial Number 914-242- 3416

06C 2752
RECEIVED
FEDERAL ELECTION COMMISSION
ADMINISTRATIVE DIVISION
89 MAY 15 AM 10:01

May 10, 1989

Mr. Jeff Long
Office of the General Counsel
Federal Election Commission
Washington, D.C. 10549

Re: MUR 2845
Trans World Airlines, Inc. -- Independent Federation
of Flight Attendants

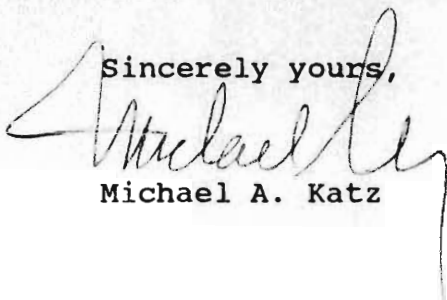
Dear Mr. Long:

As has been discussed, the above parties have resolved their differences regarding the creation of a Political Action Committee for TWA flight attendants and implementation of a payroll deduction scheme for the same. Accordingly, the Union has agreed to withdraw the above captioned complaint against TWA and Mr. Hoar, its Vice President of Labor Relations.

As you requested, please find enclosed a letter reflecting the above matters which is signed and notarized on behalf of both parties, along with a copy of the agreement between them which is referred to therein. It is my understanding that with your receipt of these materials, you will be able to close your file.

Thank you very much.

Sincerely yours,


Michael A. Katz

MAK:ir
Enclosures

cc: Ms. Victoria L. Frankovich

Icahn Enterprises

Trans World Airlines • ACF Industries, Inc. • Icahn & Co., Inc. • Members NYSE • Baywater Realty & Capital Corp. • Foxfield Thoroughbreds, Inc.

89040760447

89 MAY 15 PM 3:08

TWA

Trans World Airlines, Inc.
110 South Street
New York, New York 10038

May 2, 1989

Ms. Victoria L. Frankovich
President
Independent Federation of
Flight Attendants
630 Third Avenue
New York, New York 10017

Re: Political Action Committee
Payroll Deduction

Dear Vicki:

This will confirm our conversation on April 11, 1989 wherein we agreed to the establishment of a political action payroll deduction for Flight Attendants at TWA, as follows:

1. The payroll accounting code will be 533.
2. Deductions will be taken out of each bi-weekly pay check.
3. IFFA must provide, at its expense, a payroll deduction form similar to the union dues deduction form which would provide for name, social security number, payroll number, domicile, date and employee signature to authorize deduction.
4. Deduction will continue from the date of employee authorization until the employee rescinds said authorization.
5. Deduction forms will be forwarded by IFFA to the Manager of Payroll at:

P.O. Box 20007
Trans World Airlines Admin. Center
KCAC
Kansas City, MO 64195

05-02-89 04:41PM A 605 38th FLO

P04/**

Page 2
May 2, 1989
Political Action Committee
Payroll Deduction

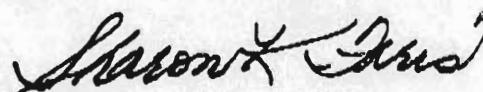
- 6) The monthly check which will include all Flight Attendant PAC contributions, separate from the monthly dues check, will forwarded to:

Secretary-Treasurer
IFFA
630 Third Avenue
New York, NY 10017-6705

- 7) Implementation of the payroll deduction of the political action committee payroll deduction system for Flight Attendants will require four to six weeks.

If this is your understanding, please sign below.

Very truly yours,



Sharon K. Faris
Director - Labor Relations



Vicki Frankovich
President

Dated: May 2, 1989

89040760449



Independent Federation of Flight Attendants

630 Third Avenue, New York, New York 10017

(212) 818-1130

VICTORIA L. FRANKOVICH
PRESIDENT

May 8, 1989

Office of General Counsel
Federal Election Commission
Washington, DC 20463

Re: MUR 2845

Dear Sir or Madam:

We are enclosing a signed agreement which reflects an understanding that Trans World Airlines, Inc. will implement a Political Action Payroll Deduction for Flight Attendants.

This will replace the letter sent to you on May 4, 1989, as this letter is signed and notarized by both parties.

We are pleased that we were able to resolve this dispute and are hereby withdrawing the charges filed with your office on April 3, 1989.

Thank you for your time and attention to this matter.

Sincerely,

Victoria L. Frankovich

Victoria L. Frankovich

Signed and sworn to before me
this 8th day of May, 1989

Marietta A. Lauro

MARIETTA A. LAURO
Notary Public, State of New York
No. 30-4847251
Qualified in Nassau County
Commission Expires March 30, 1990

2/28/90
AGREED TO AND ACCEPTED:

Sharon K. Faris

Sharon K. Faris
Director -- Labor Relations
Trans World Airlines, Inc.

Signed and sworn to before me
this 10th day of May, 1989.

Michael A. Katz

MICHAEL A. KATZ
Notary Public, State of New York
No. 31-4888749
Qualified in New York County
Commission Expires March 30, 1989

VF26B.162

TWA

Trans World Airlines, Inc.
100 South Bedford Road
Mt. Kisco, New York 10549
Telephone 914-242-4000 Fax 914-242-3900

Assistant General Counsel
Direct Dial Number 914-242-3416

RECEIVED
FEDERAL ELECTION COMMISSION
ADMINISTRATIVE DIVISION

89 MAY 25 AM 10:14

May 18, 1989

Mr. Jeff Long
Office of the General Counsel
Federal Election Commission
Washington, D.C. 10549

Re: MUR 2845
Trans World Airlines, Inc. - Independent
Federation of Flight Attendants

89 MAY 25 PM 12:09

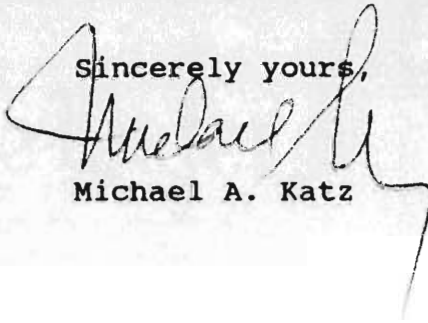
RECEIVED
FEDERAL ELECTION COMMISSION

Dear Mr. Long:

Further to my letter of May 10, 1989, copy enclosed, I would appreciate your sending me written confirmation that your office has dismissed the captioned complaint.

Thank you.

Sincerely yours,


Michael A. Katz

MAK:ir
Enclosure

Icahn Enterprises

Trans World Airlines • ACP Industries, Inc. • Icahn & Co., Inc. • Members NYSE • Baywater Realty & Capital Corp. • Foxfield Thoroughbreds, Inc.

154007600451

FEDERAL ELECTION COMMISSION

999 E Street, N.W.
Washington, D.C. 20463

FIRST GENERAL COUNSEL'S REPORT

MUR 2845

DATE COMPLAINT RECEIVED

BY OGC: April 10, 1989

DATE OF NOTIFICATION TO

RESPONDENTS: April 17, 1989

STAFF MEMBER: Jeffrey Long

COMPLAINANT:

Victoria L. Frankovich, President,
Independent Federation of Flight
Attendants

RESPONDENTS:

Trans World Airlines, Inc.
William H. Hoar, Vice President of
Labor Relations, Trans World
Airlines, Inc.

RELEVANT STATUTES:

2 U.S.C. § 441b(b)(6)
11 C.F.R. § 114.5(k)(1)

INTERNAL REPORTS CHECKED:

None

FEDERAL AGENCIES CHECKED:

None

1. GENERATION OF MATTER

This matter arises as the result of a complaint filed on April 10, 1989, by Victoria L. Frankovich, President, Independent Federation of Flight Attendants ("IFFA"), against Trans World Airlines, Inc., ("TWA") and William H. Hoar, Vice President of Labor Relations for Trans World Airlines, ("the Respondents") in which she alleged that the Respondents had not responded to her request for making the payroll deduction method available to the union for contributions to its separate segregated fund, although the company was using such a method for contributions to its executive and administrative personnel.

89040760452

89040760453

The IFFA made requests of TWA for the facilities for payroll deduction on October 7, 1988 and November 30, 1988. After having no response, the IFFA called TWA and learned that payroll deduction was available for executive and administrative employees to contribute to the TWA's political action committee. On January 25, 1989, the IFFA made a third request and this time received a letter from William H. Hoar in which he stated TWA was currently reviewing its payroll deduction methods and would inform the IFFA of its findings. Again having no response, the IFFA filed its complaint with the Commission.

On April 19, 1989, the Respondents submitted a letter saying they were in negotiations with the union. Attachment 1. On May 8, 1989, the Complainant submitted a letter requesting that her complaint be withdrawn as the matter had been resolved. Attachment 2. On May 15, 1989, the Respondents filed a response that included a signed and notarized agreement between the union and the company. Attachment 3.

II. FACTUAL AND LEGAL ANALYSIS

The Complainant's union represents the employees of Trans World Airlines, Inc. The complaint alleges that, after learning that payroll deduction was available for the making of voluntary contributions by administrative and executive employees to TWA's political action committee, the IFFA's requests for the same methods for making similar contributions to its political action committee went unanswered.

Pursuant to 2 U.S.C. § 441b(b)(6) and 11 C.F.R. § 114.5(k), any corporation that uses a method for soliciting or facilitating contributions from its stockholders or executive or administrative personnel and their families must make that contribution method available, on written request, to a labor organization representing members, and their families, working for the corporation. The Commission's regulations, at 11 C.F.R. § 114.5(k)(1), specifically address payroll deduction plans, providing that if a corporation utilizes a payroll deduction plan which deducts contributions from the payroll checks of executive or administrative personnel, the corporation shall, upon written request of the labor organization, make that method available to the labor organization at a cost sufficient only to reimburse the corporation for the actual expenses incurred thereby.

In its initial response, received April 19, 1989, counsel for TWA stated that it was involved in on-going discussion with the IFFA, after making a determination to make available a payroll deduction plan to facilitate contributions by IFFA represented employees. See Attachment 1. A second response filed by counsel for TWA includes a notarized agreement signed by representatives of IFFA and TWA, to the effect that the parties have resolved their differences and a payroll deduction scheme will be implemented. That response also includes a copy of the IFFA's letter dated May 8, 1989, in which it requested withdrawal of its complaint.

89040760454

First, we note that it is Commission policy, under 2 U.S.C. § 437g, to pursue all complaints properly filed, and to take any action deemed appropriate under the Act. A request for withdrawal of a complaint does not prevent the Commission from taking appropriate action under the Act.

Second, because the October 7 and November 30 requests for payroll deduction made by IFFA went unanswered and TWA agreed to making the payroll deduction method available only upon the filing of the complaint, it does not appear TWA has complied with the Act and regulations by making this method available "on written request". Therefore, this Office recommends that the Commission find reason to believe that Trans World Airlines, Inc. violated 2 U.S.C. § 441b(b)(6). In consideration of the payroll deduction plan now in effect, as evidenced by the signed and notarized agreement, this Office also recommends that the Commission take no further action.

The information available does not show that William H. Hoar was personally responsible for the delay in responding to the IFFA requests for payroll deduction. Therefore, this Office recommends that the Commission find no reason to believe that William H. Hoar violated 2 U.S.C. § 441b(b)(6).

III. RECOMMENDATIONS

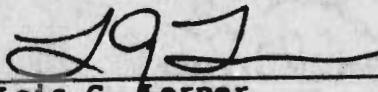
1. Find reason to believe that Trans World Airlines, Inc., violated 2 U.S.C. § 441b(b)(6) and take no further action.
2. Find no reason to believe that William H. Hoar violated 2 U.S.C. § 441b(b)(6).

89040760455

3. Approve the attached letters.
4. Close the file.

Lawrence M. Noble
General Counsel

Date 7/11/89

BY: 
Lois G. Lerner
Associate General Counsel

Attachments

1. April 19, 1989, response
2. May 8, 1989, withdrawal letter
3. May 15, 1989, response
4. Proposed Letters

89040760456



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM TO:

FROM: MARJORIE W. EMMONS
DATE: JULY 13, 1989
SUBJECT: MUR 2845 - First General Counsel's Report
Dated July 11, 1989
(Withdrawal and recirculation)

The above-captioned document was circulated to the
Commission on

Objections have been received from the Commissioners
as indicated by the name(s) checked:

Commissioner Aikens	_____
Commissioner Elliott	_____
Commissioner Josefiak	_____ xxx
Commissioner McDonald	_____
Commissioner McGarry	_____
Commissioner Thomas	_____

This matter will be placed on the
agenda for July 18, 1989.

89040760457

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
Trans World Airlines, Inc.) MUR 2845
William H. Hoar, Vice President)
of Labor Relations, Trans)
World Airlines, Inc.)

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session of July 18, 1989, do hereby certify that the Commission took the following actions in MUR 2845:

1. Failed in a vote of 3-3 to pass a motion to
 - a) Find no reason to believe that Trans World Airlines, Inc., violated 2 U.S.C. § 441b(b) (6).
 - b) Find no reason to believe that William H. Hoar violated 2 U.S.C. § 441b(b) (6).
 - c) Take no further action and close the file in MUR 2845.
 - d) Direct the Office of General Counsel to send appropriate letters pursuant to the above actions.

Commissioners Aikens, Elliott, and Josefiak voted affirmatively for the motion; Commissioners McDonald, McGarry, and Thomas dissented.

(continued)

89040760458

Federal Election Commission
Certification for MUR 2845
July 18, 1989

Page 2

2. Decided by a vote of 6-0 to close the file
in MUR 2845.

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

Attest:

7-19-89

Date

Marjorie W. Emmons

Marjorie W. Emmons
Secretary of the Commission

89040760459



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 27, 1989

Trans World Airlines, Inc.
100 S. Bedford Road
Mount Kisco, NY 10549

RE: MUR 2845
Trans World Airlines

Dear Gentlemen:

On April 17, 1989, the Federal Election Commission notified you of a complaint alleging that Trans World Airlines, Inc. had violated certain sections of the Federal Election Campaign Act of 1971, as amended.

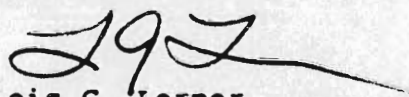
On July 17, 1989, the Commission considered the complaint but was equally divided on whether to find reason to believe Trans World Airlines, Inc. violated 2 U.S.C. § 441b(b)(6). Accordingly, the Commission closed its file in this matter.

This matter will become part of the public record within 30 days. Should you wish to submit any materials to appear on the public record, please do so within ten days of your receipt of this letter. Please send such materials to the General Counsel's Office.

If you have any questions, please direct them to Jeffrey Long, the staff member assigned to this matter, at (202) 376-5690.

Sincerely,

Lawrence M. Noble
General Counsel


BY: Lois G. Lerner
Associate General Counsel

Enclosure
General Counsel's Report
and Certification

cc: Michael A. Katz

39040760460



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 27, 1989

Mr. William H. Hoar
Vice President of Labor
Relations
Trans World Airlines, Inc.
100 S. Bedford Road
Mount Kisco, NY 10549

RE: MUR 2845
William H. Hoar

Dear Mr. Hoar:

On April 17, 1989, the Federal Election Commission notified you of a complaint alleging that you had violated certain sections of the Federal Election Campaign Act of 1971, as amended.

On July 17, 1989, the Commission considered the complaint but was equally divided on whether to find reason to believe Trans World Airlines, Inc. violated 2 U.S.C. § 441b(b)(6). Accordingly, the Commission closed its file in this matter.

This matter will become part of the public record within 30 days. Should you wish to submit any materials to appear on the public record, please do so within ten days of your receipt of this letter. Please send such materials to the General Counsel's Office.

If you have any questions, please direct them to Jeffrey Long, the staff member assigned to this matter, at (202) 376-5690.

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

Enclosures
General Counsel's Report
and Certification

cc: Michael A. Katz

89040760461



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 27, 1989

**CERTIFIED MAIL
RETURN RECEIPT REQUESTED**

Victoria L. Frankovich, President
Independent Federation of Flight
Attendants
630 Third Avenue
New York, NY 10017

RE: MUR 2845

Dear Ms. Frankovich:

The Federal Election Commission has reviewed the allegations contained in your complaint dated April 3, 1989. In your letter dated May 8, 1989, you requested that the complaint be withdrawn. Under 2 U.S.C. § 437g, the Federal Election Commission is empowered to review a complaint properly filed with it and to take action which it deems appropriate under the Federal Election Campaign Act of 1971, as amended, ("the Act"). A request for withdrawal of a complaint will not prevent the Commission from taking appropriate action under the Act. Your request will become part of the Public Record.

On July 17, 1989, the Commission considered your complaint, but was equally divided on whether to find reason to believe Trans World Airlines, Inc. violated the Federal Election Campaign Act of 1971, as amended.

Accordingly, on July 17, 1989, the Commission closed the file in this matter. The Federal Election Campaign Act allows a complainant to seek judicial review of the Commission's dismissal of this action. See 2 U.S.C. § 437g(a)(8).

If you have any questions, please contact Jeffrey Long, the staff member assigned to this matter, at (202) 376-5690.

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

Enclosure
General Counsel's Report
and Certification

89040760462



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THIS IS THE END OF MUR # 2845

DATE FILMED 8/16/89 CAMERA NO. 2

CAMERAMAN AS

3 0 0 4 0 7 6 0 4 6 3



FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

THE FOLLOWING MATERIAL IS BEING ADDED TO THE
PUBLIC RECORD IN (CLOSED) MUR 2845

3 0 0 3 0 7 / 1 7 9 5



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Convey

MEMORANDUM

TO: COMMISSIONERS
STAFF DIRECTOR
GENERAL COUNSEL
PRESS OFFICE

FROM: ~~not~~ MARJORIE W. EMMONS/DELORES R. HARRIS *CRH*

DATE: SEPTEMBER 21, 1989

SUBJECT: STATEMENT OF REASONS FOR MUR 2845

Attached is a copy of Commissioners McDonald,
McGarry and Thomas' Statement of Reasons in MUR 2845
received in the Commission Secretary's Office on
Wednesday, September 20, 1989 at 5:13 p.m.

3004071744



FEDERAL ELECTION COMMISSION

WASHINGTON, D C 20463

FEDERAL ELECTION COMMISSION

In the Matter of

**Trans World Airlines,
Inc.**

**William H. Hoar, Vice
President of Labor
Relations, Trans
World Airlines, Inc.**

MUR 2845

STATEMENT OF REASONS

Chairman Danny L. McDonald
Commissioner John Warren McGarry
Commissioner Scott E. Thomas

The issue in Matter Under Review ("MUR") 2845 is whether Trans World Airlines, Inc. ("TWA") may delay in meeting its statutory obligation to make its payroll deduction plan available to a labor organization's separate segregated fund. Applying the statute and Commission regulations, we conclude that TWA failed to comply with the statutory requirement that it make this solicitation method available to the labor organization upon "written request." Accordingly, we agree with the General Counsel's recommendation to find reason to believe that TWA violated 2 U.S.C. §441b(b)(6).

3 9 0 4 0 7 / 1 7 4 5

The Federal Election Campaign Act of 1971, as amended, ("the Act") provides that "any corporation. . . 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. . . ." 2 U.S.C. §441b(b)(6) (emphasis added). This statutory provision is implemented by the regulations at 11 C.F.R. §114.5(k). That section provides that any corporation that uses a method of soliciting voluntary contributions for its political fund from its stockholders or executive and administrative personnel and their families shall make that method available to a labor organization representing any members working for the corporation. The regulations further provide that the method shall be made available "at a cost sufficient only to reimburse the corporation for the expenses incurred thereby." 11 C.F.R. §114.5(k).

The facts in this MUR are not in dispute. TWA makes available to its executive and administrative personnel a payroll deduction program to facilitate the making of contributions by those individuals to the corporation's separate segregated fund. On October 7, 1988, the Independent Federation of Flight Attendants ("IFFA") requested, in writing, that TWA "make available to IFFA the methods of soliciting voluntary political contributions, or facilitating the making of voluntary contributions used by TWA." By the end of November, 1988, TWA

had not responded to this request, much less, made available its solicitation methods to the labor organization.

On November 30, 1988, IFFA tried again and sent another written request to TWA. This letter asserted that a complaint would be filed with the Federal Election Commission if the request was not met by December 15, 1988. On December 7, 1988, TWA responded by noting that the IFFA October 7 letter had been "referred to [TWA's] Legal Department for review." TWA promised to contact IFFA regarding the matter "after the Legal Department has completed its review of this matter."

Having not heard from TWA since the December 7, 1988, letter, IFFA renewed its written request on January 25, 1989. Again, IFFA asked for a response within two weeks. If no response was received, IFFA indicated that it would "pursue whatever means are available to secure TWA's compliance" with its requests. By letter dated February 10, 1989, TWA responded, stating that TWA was "reviewing what, if any methods are presently being used by TWA and you will be informed as to the results of our review shortly."

Nearly two months later, IFFA had heard nothing further from TWA and on April 10, 1989, filed a complaint with the Federal Election Commission. IFFA alleged that TWA and William H. Hoar, Vice President of Labor Relations for TWA, had failed to make available to the labor organization a method of solicitation employed by the corporation in violation of the Act and Commission regulations. Nearly one-half year had passed

89040711741

between the time of IFFA's initial request of TWA and the filing of a complaint with the FEC.

One week after the filing of a complaint by IFFA, counsel for TWA responded to the complaint in an April 17, 1989, letter to the Commission. Counsel indicated that TWA had "determined to make available to the Independent Federation of Flight Attendants (IFFA) a payroll deduction plan for contributions by IFFA-represented TWA employees to its political action committee." And just two weeks after that, on May 2, 1989, TWA sent a letter to IFFA agreeing to the "establishment of a political action payroll deduction for Flight Attendants at TWA."

The Office of General Counsel prepared a report for Commission consideration that contained a factual and legal analysis of the allegation contained in the IFFA complaint filed with the Commission. The General Counsel concluded that "it does not appear TWA has complied with the Act and regulations by making [the payroll deduction method] available 'on written request.'" The General Counsel recommended that the Commission find reason to believe that TWA violated 2 U.S.C. §441b(b)(6) but take no further action in light of the fact that an agreement had been reached between TWA and IFFA.¹

1. In addition, the General Counsel recommended that the Commission find no reason to believe that William H. Hoar violated 2 U.S.C. §441b(b)(6) since there was no indication that Mr. Hoar was "personally responsible for the delay in responding to the IFFA requests for payroll deduction."

A motion to find no reason to believe that TWA violated 2 U.S.C. §441b(b)(6), and thus rejecting the General Counsel's recommendation, received three votes. Three Commissioners supported the General Counsel's recommendation and opposed the no reason to believe motion.

8 9 0 4 0 7 / 1 7 4 9

We support the General Counsel's recommendation. In our opinion, a labor organization requesting the use of a corporation's payroll deduction plan should not have to make three written requests of the corporation, file a complaint with the Federal Election Commission, and wait seven months before that corporation finally makes available to the labor organization its payroll deduction program. The statute plainly requires a corporation to make available a particular method of fundraising utilized by the corporation to a labor organization which represents its employees upon the written request of the labor organization. In our opinion, Congress fully expected that this legislative command would be promptly fulfilled. In MUR 2845, TWA failed to do so.

Unlike our colleagues, we cannot countenance the repeated delays which occurred in this MUR as being consistent with the statutory mandate that a corporation "shall make available such

method, on written request." 2 U.S.C. §441b(b)(6) (emphasis added). To the contrary, we believe that the delays and unresponsiveness present in this MUR are unacceptable. Accordingly, we agree with the General Counsel's recommendation to find reason to believe that TWA violated 2 U.S.C. §441b(b)(6).

9-19-89
Date

9-19-87
Date

Sept. 19, 1989
Date

Danny Lee McDonald
Danny Lee McDonald
Chairman

John Warren McGarry
John Warren McGarry
Commissioner

Scott E. Thomas
Scott E. Thomas
Commissioner

89040711750