



FEDERAL ELECTION COMMISSION
WASHINGTON, D C 20463

THIS IS THE BEGINNING OF MUR # 3201

DATE FILMED 4/17/91 CAMERA NO. 4

CAMERAMAN AS

21040334450

90 OCT 25 AM 10:16

PGC 8399
2366 Chilcombe Ave
St. Paul, MN 55108
September 24, 1990

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL

90 OCT 25 PM 4:06

Dear FEC:

I am writing to complain about a violation of the Federal campaign law.

Since sometime last week, the Machinists' Labor Temple at 1399 Eustis, St. Paul, MN 55108 has been displaying on its premises one of Congressman Bruce F. Vento's (MN-4) lawn signs. The lawn sign in question is adjacent to Highway 280 and is clearly intended to be seen by the highway traffic. (I am opposing Mr. Vento in the upcoming election).

I believe that other labor organizations may similarly be displaying Mr. Vento's lawn signs. If that is the case, I would request that you consider them as well and instruct Mr. Vento's campaign to remove them.

I am filing my complaint pursuant to the Federal Election Campaign Act of 1971 which prohibits labor organizations from making contributions or expenditures (of "anything of value") in connection with federal elections. See 11 CFR Part 114 1(a)(1)

The lawn sign is (as I have mentioned) located next to the highway and is obviously intended to be seen by passing traffic and is not a form of communication between the Machinists' Union and its membership. Thus it does not constitute an exception to the FECA as provided under 44 CFR Part 114.1(a)(2).

I swear that everything in this letter is the truth as I believe it.

Sincerely

Tom Maitland

P.S. 1 On September 26, my campaign manager contacted the Vento campaign and raised the issue of the illegal sign. As of October 3, the sign is still in place.

P.S. 2 On October 16 at a candidates' forum I raised the matter with Mr. Vento's campaign manager, Mr. Bob Trewartha. The illegal sign is still in place as of October 21.

21040334452



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

October 30, 1990

Bruce F. Vento
2005 Montana
St. Paul, MN 55119

Dear Mr. Vento:

On October 25, 1990, 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

21040334453



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

October 30, 1990

The Machinists' Labor Temple
1399 Eustis
St. Paul, MN 55108

Dear Gentlemen:

On October 25, 1990, the Federal Election Commission received a letter alleging that the Machinists' Labor Temple 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

21040834454



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

October 30, 1990

Ian Maitland
2366 Chilcombe Avenue
St. Paul, MN 55108

Dear Mr. Maitland:

This is to acknowledge receipt on October 25, 1990, of your letter dated October 22, 1990. The Federal Election Campaign Act of 1971, as amended ("the Act") and Commission Regulations require that the contents of a complaint be sworn to and signed in the presence of a notary public and notarized. Your letter did not contain a notarization on your signature and was not properly sworn to.

You must swear before a notary that the contents of your complaint are true to the best of your knowledge and the notary must represent as part of the jurat that such swearing occurred. A statement by the notary that the complaint was sworn to and subscribed before him/her will be sufficient. We are sorry for the inconvenience that these requirements may cause you, but we are not statutorily empowered to proceed with the handling of a compliance action unless all the statutory requirements are fulfilled. See 2 U.S.C. § 437g.

If you have any questions concerning this matter, please contact Retha Dixon, Docket Chief, at (202) 376-3110.

Sincerely,

Lawrence M. Noble
General Counsel

BY:


Lois G. Lerner
Associate General Counsel

cc: Respondent

21040334455



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

December 3, 1990

Ian Maitland
2366 Chilcombe Avenue
St. Paul, MN 55108

Dear Mr. Maitland:

Per our conversation on November 30, 1990, I am enclosing a copy of the complaint you sent us, October 25, 1990. As our letter indicated to you it was not properly sworn or notarized.

Sincerely,

Betha L. Dixon
Betha L. Dixon
Docket Chief

enclosure

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RECEIVED
FEDERAL ELECTION COMMISSION

90 DEC 14 PM 12:21

OGC 8981

2366 Chilcombe Ave
St Paul, MN 55108

December 11, 1990

MUR 3201

90 DEC 14 PM 3:27

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF LEGAL COUNSEL

Dear Ms. Dixon:

I am returning the copy of the complaint that you kindly sent me (12/3) (The original had not been properly sworn or notarized). The copy has now been re-signed/sworn and notarized.

I hope the FEC will now be able to consider my complaint.

Sincerely

Tom Maitland

21040334457

90 OCT 25 AM 10:16

2366 Chilcombe Ave
St. Paul, MN 55108
September 24, 1990

MUR 3201

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF LEGAL COUNSEL

90 OCT 25 PM 4:00

Dear FEC:

I am writing to complain about a violation
the Federal campaign law.

Since sometime last week, the Machinists' Labor
Temple at 1399 Eustis, St. Paul, MN 55108 has
been displaying on its premises one of Congressman
Bruce F Vento's (MN-4) lawn signs. The lawn sign
in question is adjacent to Highway 280 and is
clearly intended to be seen by the highway traffic.
(I am opposing Mr. Vento in the upcoming election).

I believe that other labor organizations may similarly
be displaying Mr. Vento's lawn signs. If that is the
case, I would request that you consider them as
well and instruct Mr. Vento's campaign to remove
them.

I am filing my complaint pursuant to the Federal
Election Campaign Act of 1971 which prohibits labor
organizations from making contributions or expendit-
ures (of "anything of value") in connection with
federal elections. See 11 CFR Part 114.1(a)(1)

21040834458

The lawn sign is (as I have mentioned) located next to the highway and is obviously intended to be seen by passing traffic and is not a form of communication between the Machinists' Union and its membership. Thus it does not constitute an exception to the FECA as provided under 14 CFR Part 114.1(a)(2).

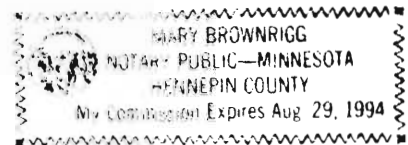
I swear that everything in this letter is the truth as I believe it.

Sincerely

Ian Maitland

Ian Maitland

STATE OF MINNESOTA) SS.
COUNTY OF HENNEPIN
Subscribed and sworn to before me
this 10 day of December 1990.
Mary Brownrigg
Notary Public



P.S. 1 On September 26, my campaign manager contacted the Vento campaign and raised the issue of the illegal sign. As of October 3, the sign is still in place.

P.S. 2 On October 16 at a candidates' forum I raised the matter with Mr. Vento's campaign manager, Mr. Bob Trewartha. The illegal sign is still in place as of October 21.

91040334459



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

December 19, 1990

Machinist Labor Temple
1399 Eustis
St. Paul, Minnesota 55108

RE: MUR 3201

Dear Gentlemen:

The Federal Election Commission received a complaint which alleges that the Machinist Labor Temple 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 3201. 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 the Machinist Labor Temple 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 2 U.S.C. § 437g(a)(4)(B) and § 437g(a)(12)(A) 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.

21040334450

If you have any questions, please contact Jeffrey Long, the staff member 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:


Lois G. Lerner
Associate General Counsel

Enclosures

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

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

December 19, 1990

John J. Costello, Treasurer
Volunteers for Vento
1808 American National Bank Bldg.
St. Paul, MN 55101

RE: MUR 3201

Dear Mr. Costello:

The Federal Election Commission received a complaint which alleges that Volunteers for Vento and you, as treasurer, 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 3201. 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 2 U.S.C. § 437g(a)(4)(B) and § 437g(a)(12)(A) 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.

If you have any questions, please contact Jeffrey Long, the staff member 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:


Lois G. Lerner
Associate General Counsel

Enclosures

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

cc: The Honorable Bruce F. Vento

91J40331463



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

December 19, 1990

Ian Maitland
2366 Chilcombe Avenue
St. Paul, Minnesota 55108

RE: MUR 3201

Dear Mr. Maitland:

This letter acknowledges receipt on December 14, 1990, of your complaint alleging possible violations of the Federal Election Campaign Act of 1971, as amended ("the Act"), by Volunteers for Vento and John J. Costello, as treasurer, Honorable Bruce F. Vento and the Machinist Labor Temple. 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 3201. 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:


Lois G. Lerner
Associate General Counsel

Enclosure
Procedures

9104031464

WEINBLATT AND DAVIS RECEIVED
ATTORNEYS & COUNSELORS AT LAW FEDERAL ELECTION COMMISSION
OFFICE SERVICES BRANCH

06C 9739

SUITE 1616, PIONEER BUILDING
336 ROBERT STREET
ST. PAUL, MINNESOTA 55101
TELEPHONE 612 / 292-8770
FACSIMILE 612 / 223-8282

91 JAN -8 AM 9:48

ALAN W. WEINBLATT
RICHARD W. DAVIS
JERRY M. HELFAND
LAWRENCE H. MEUERS
JUAN J. MARTINEZ
KATHARINA E. LISTON

January 4, 1991

Lois G. Lerner
Associate General Counsel
Federal Election Commission
999 E Street, NW
Washington, DC 20463

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE SERVICES BRANCH
91 JAN -8 PM 1:18

Re: MUR 3201

Ms. Lerner:

I have been retained to represent Volunteers for Vento and John J. Costello, its Treasurer, in connection with the above referenced MUR. Enclosed please find the signed Statement of Designation of Counsel.

The purpose of this letter is to respond to the written complaint of Ian Maitland dated September 24, 1990.

While it is difficult to follow the thrust of Mr. Maitland's complaint, I can advise you of the following on a preliminary basis.

1. A single Vento for Congress lawn sign was placed on property located at 1399 Eustis, St. Paul, Minnesota, which property includes the building which houses various locals of the International Association of Machinists. Our information is that the property is in fact owned by the District 77 IAM Building Association and leased to the various locals.
2. The lawn sign was originally placed in what was considered to be the corner of the building parking lot by members and employees of one or more machinists locals. The lawn sign was not "angled" in any specific direction but only placed in a manner so that it might be seen by those members entering the parking lot.
3. Sometime after the Vento sign was initially put into the ground, other candidates' lawn signs were put into the ground adjoining the Vento sign so that at some point the union officials believe there were several lawn signs in the same location.

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Lois G. Lerner
January 4, 1991
Page Two

4. At some point the Minnesota Highway Department, believing that some or all of the lawn signs were in fact on Highway Department property, removed all of the lawn signs. In fact, the Highway Department was apparently only partially correct and only some of the lawn signs were slightly onto Highway Department property. The Vento lawn sign was not one of those.
5. In all events, the Highway Department took all of the lawn signs and advised the Machinists Union that it had done so. Thereafter, representatives of the Machinists Union went to the Highway Department storage shed, secured the lawn signs back and reinstalled them closer to the parking lot asphalt. Again, the union members and employees who put in the lawn signs did not intentionally "angle" them in any manner, but only faced them straight ahead in such a manner that they might be seen by those persons driving into the Machinists Union Hall parking lot.
6. The portion of the ground used for each lawn sign stake is itself no more than one square foot and there were a number of lawn signs that were "clustered" in the same area.
7. Union officials advise me that they believe that there is no fair market value for the use of a very small portion of their lawn adjacent to the parking lot for the lawn sign for the period from September 17 to November 6, 1990.
8. The foregoing information was secured from union representatives and was not known to the Vento Committee or its Treasurer, John Costello.
9. Based on the foregoing, I do not believe that there is any fair rental value on which to judge or measure and thus there is no "normal and usual rental charge" for the union having posted the lawn sign for approximately ten weeks in one small portion of its property. See 11 C.F.R. §114.9(d) and 11 C.F.R. §100.7(a)(1)(iii)(b).
10. In the alternative, if there is any fair market value for the use of a very small portion of the lawn for one of many lawn signs, it is a de minimus value.
11. It is my client's contention that if a lawn sign was placed on the union property by a member or former member or officer of that union as that individual's personal free speech, then under the provisions of 11 C.F.R. §114.9(b)(1)(ii), that such use is an occasional, isolated or incidental use of the facilities of the labor organization for individual volunteer

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Lois G. Lerner
January 4, 1991
Page Three

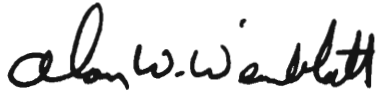
activity and in that circumstance there is no requirement that the union be reimbursed except to the extent that there are overhead or operating costs of the organization which are increased. In this case, it is our information that there were no overhead or operating costs of the labor organization that were increased.

12. It is also be noted that there is no indication in the complaint of any contention that the use of a small portion of its lawn interfered with the labor organization in carrying out its normal activities.

Based upon the foregoing, we would respectfully request that the Office of the General Counsel issue its report and recommendation determining that there is no reason to believe that the complaint sets forth any possible violation of the Act.

My client and I remain willing to provide any additional information which the Office of General Counsel may need in preparing its recommendation to the Commission.

Thank you for your consideration.


ALAN W. WEINBLATT
For
WEINBLATT AND DAVIS

AWW:kq
Encl.

cc: Congressman Bruce Vento
John J. Costello

21040334467

STATEMENT OF DESIGNATION OF COUNSEL

MUR 3201

NAME OF COUNSEL: Alan W. Weinblatt

ADDRESS:

1616 Pioneer Bldg.

336 Robert St

St Paul Minn 55101

TELEPHONE:

612-292-8770

The above-named individual is hereby designated as my
counsel and is authorized to receive any notifications and other
communications from the Commission and to act on my behalf before
the Commission.

1-3-91

Date

John J. Costello
Signature

RESPONDENT'S NAME:

John J. Costello

ADDRESS:

2177 Stanford Ave

St. Paul, MN 55105

HOME PHONE:

~~698/8~~ 612/698-8631

BUSINESS PHONE:

612/228-6300

91040334468



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

January 22, 1991

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

District 77
International Association of Machinists
1399 Eustis
St. Paul, Minnesota 55108

RE: MUR 3201

Dear Gentlemen:

The Federal Election Commission received a complaint that alleges that you may have violated the Federal Election Campaign Act of 1971, as amended ("the Act"). On December 19, 1990, the Commission mailed copies of the complaint to the Machinist Labor Temple at 1399 Eustis in St. Paul, Minnesota. We have since learned that the property in question belongs to the District 77 IAM. Therefore, we are mailing a copy of the complaint to you so that you may respond. We have numbered this matter MUR 3201. 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 2 U.S.C. § 437g(a)(4)(B) and § 437g(a)(12)(A) 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.

210443469

District 77
International Association of Machinists
Page 2

If you have any questions, please contact Jeffrey Long, the staff member 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: Lois G. Lerner
Associate General Counsel

Enclosures

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

91040334470



OGC 9973

MUR 3201

DISTRICT 77 IAM BUILDING ASSOCIATION

Machinists Labor Temple, 1899 Eustis Street, Saint Paul, Minnesota 55108 • Phone 648-7767
612 646-7447

Federal Election Counsel
Attn: Jeffrey Long
999 E St, NW
Washington, DC 20463

91 JAN 31 AM 11:04
FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20543

91 JAN 31 PM 3:27

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF THE CLERK

January 28, 1991

Dear Mr Long,

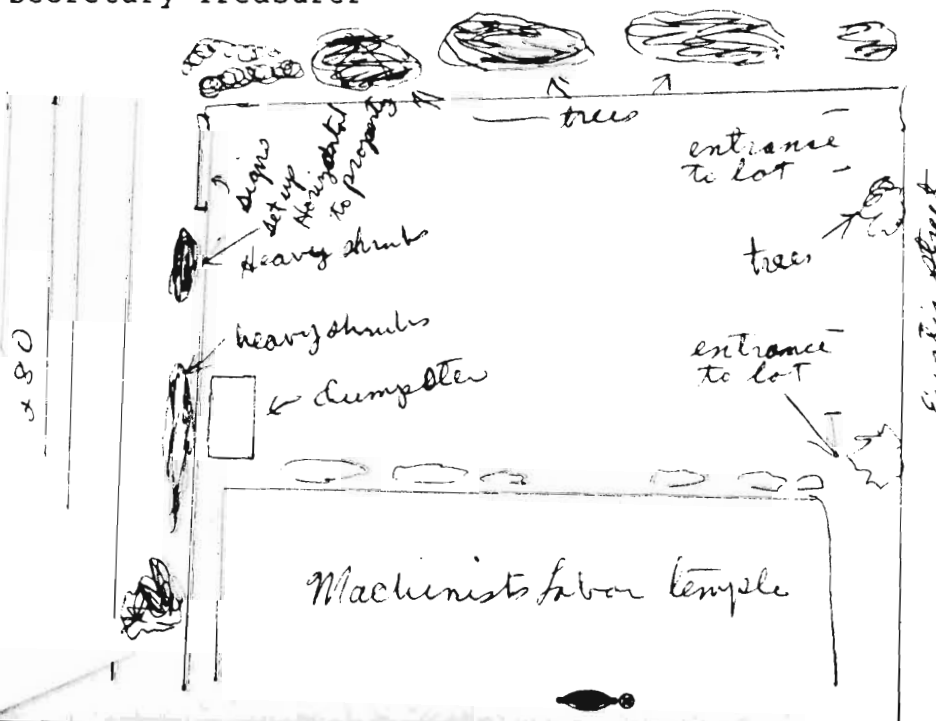
I am writing this letter in regard to the phone conversation I had with you today. I am one of the Union Officers that went to the Highway Department to get the signs. We put the signs back up in the corner of the property as shown on the diagram. It was placed there because there is a dumpster in the other corner and that was no place for such a sign.

I remain willing to provide you with additional information, if so needed to make a recommendation to the Commission.

Thank you in advance for your consideration.

William C. Diesslin
William C. Diesslin
Secretary-Treasurer

"N"



91 MAR 11 PM 12:28

FEDERAL ELECTION COMMISSION
999 E Street, N.W.
Washington, D.C. 20463

SENSITIVE

FIRST GENERAL COUNSEL'S REPORT

MUR 3201
DATE COMPLAINT RECEIVED
BY OGC: December 17, 1990
DATE OF NOTIFICATION TO
RESPONDENTS: December 19, 1990
STAFF MEMBER: George F. Rishel
Jeffrey D. Long

COMPLAINANT: Ian Maitland

RESPONDENTS: Volunteers for Vento and John
J. Costello, as treasurer

Machinist Labor Temple
District 77
International Association of
Machinists Building Association

RELEVANT STATUTES: 2 U.S.C. § 441b

INTERNAL REPORTS CHECKED: None

FEDERAL AGENCIES CHECKED: None

I. GENERATION OF MATTER

This matter was generated by a complaint filed by Ian Maitland On December 17, 1990, against Volunteers for Vento and John J. Costello, as treasurer, ("the Vento Committee") and the Machinist Labor Temple of District 77 of the International Association of Machinists. The Vento Committee filed a response on January 8, 1991. Attachment 1. A reminder letter was sent to District 77 of the International Association of Machinists on January 22, 1991. A response was received on January 31 from the secretary treasurer of the District 77 IAM Building Association. Attachment 2.

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II. FACTUAL AND LEGAL ANALYSIS

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In his complaint, Maitland alleges that a Vento Committee campaign lawn sign was displayed on the premises of the Machinists Labor Temple, adjacent to Highway 280 and clearly visible to the passing public. Maitland alleges that the sign violates the prohibition on labor organization contributions because it is not a communication to the union's membership and does not constitute an exception to the prohibition on labor union contributions. He states that he raised the issue twice prior to the general election with the Vento Committee or Rep. Bruce Vento but that the sign remained in place. Maitland lost the general election to Rep. Vento, 65 percent to 35 percent.

In response, counsel for the Vento Committee makes a number of factual assertions. He acknowledges that a "single Vento for Congress lawn sign" was placed on property in St. Paul, Minnesota, owned by District 77 of the International Association of Machinists (Building Association) and leased to several local machinist unions. He claims the sign was placed in "the corner of the building parking lot by members and employees of one or more machinists locals." He said it was placed to be seen by those members entering the parking lot. After the placement of the Vento sign, lawn signs for other candidates were put into the ground in the same location.

He adds that the Minnesota Highway Department determined that the signs were on highway department property and removed them. Representatives of the machinists union went to the Highway Department's storage shed and retrieved the signs and reinstalled

them "closer to the parking lot asphalt." Counsel asserts that the portion of the ground used for each law sign "is itself no more than one square foot" and that the union had advised him that it believed there is no fair market value for the use of such a small portion of their lawn for a period from September 17 to November 6, 1990.

Counsel argues that there is no fair market value or usual and normal rental charge for the use of such a small portion of ground for such a short period or, in the alternative, that such value is de minimis. Counsel also asserts that the placing of such a sign by an individual union member as his own political speech should fall within the provisions of 11 C.F.R. § 114.9(b)(1)(ii) as the occasional, isolated or incidental use of the labor union's facilities.

The secretary treasurer of the District 77 IAM Building Association stated that he is "one of the Union Officers that went to the Highway Department to get the signs." He said the signs were put back up and provided a diagram of the area to show the location of the signs. The diagram indicates the signs were placed on an open corner of the union's property adjacent to Highway 280.

The Federal Election Campaign Act of 1971, as amended ("the Act"), prohibits any labor organization from making any contribution or expenditure in connection with any federal election and prohibits any political committee from knowingly accepting such a prohibited contribution or expenditure. 2 U.S.C. § 441b(a). The Act defines "contribution" or

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"expenditure" to include any direct or indirect payment, distribution, loan, advance, deposit, or gift of money, or any services, or anything of value to any candidate or campaign committee. 2 U.S.C. § 441b(b)(2). The Act, however, excludes from this definition communications by a labor organization to its members and their families on any subject. 2 U.S.C. § 441b(b)(2)(A). Communications regulations further explain that no labor organization may make contributions or expenditures for partisan communications to the general public in connection with a federal election. 11 C.F.R. § 114.3(a)(1).

A labor organization may, however, establish a separate segregated fund consisting of voluntary contributions raised in accordance with the Act and regulations. 2 U.S.C. §§ 441b(b)(2)(C), 441b(b)(3) and 441b(b)(4). This fund becomes a political committee under the Act with the expenditure of at least one dollar for federal election purposes and must register and report its receipts and disbursements. 2 U.S.C. §§ 431(4)(B), 433 and 434. This fund may finance partisan communications to the general public. Such communications would be reported as either in-kind contributions to a candidate or independent expenditures as the case may be. See 2 U.S.C. §§ 431(17) and 441a(a)(7)(B).

Commission regulations further provide that officials, members, and employees of a labor organization may make occasional, isolated, or incidental use of the organization's facilities for individual volunteer activity in connection with a federal election. Such use will be reimbursed only to the extent

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that the overhead or operating costs of the organization are increased. 11 C.F.R. § 114.9(b)(1). The regulations also define "occasional, isolated, and incidental use." Id.

2 1 0 4 0 3 3 4 4 7 6
The facts indicate that a lawn sign advocating the election of Bruce Vento to Congress was placed on property owned by District 77 of the International Association of Machinists in St. Paul, Minnesota, by officials of the union during the several weeks prior to the 1990 general election. Although counsel for the Vento Committee argues that it was placed to be visible to persons entering the parking lot, the sign was also placed to be visible to the general public traversing Highway 280. In fact, the Highway Department removed the signs because they were on its property. According to the diagram, the signs were reinstalled to be as close to the highway (and thus visible to passing motorists) as possible without encroaching on the right of way. Thus, the sign constituted general public political advertising. Therefore, we conclude that a prohibited contribution occurred in this instance with respect to both the labor organization and the Vento Committee.¹

1. We note that the complainant alleges that he brought the placement of the sign to the attention of the Vento committee on two occasions prior to the general election (September 26 and October 16). We also do not know at this time whether the Vento Committee provided the sign to the union, although that seems likely. The response by counsel for the Vento Committee gives some indication that it may not have been aware of the placement of this sign in that it states the information regarding the placement of the sign had been obtained from the union and was not known to the Vento Committee or its treasurer. This statement by itself would not be considered sufficient to eliminate the liability of the Vento Committee and appears to be contradicted by other evidence.

Counsel for the Vento Committee further argues that the sign was not placed there by the labor organization but by individual union members. He then references the exception for "occasional, isolated, or incidental use" of a labor organization's facilities to further support his contention that the placing of the sign was individual activity. Counsel further contends that the use of the union property in this manner was for fair market value or no usual and normal charge or, alternatively, that such value is de minimis. This Office concludes, however, that the placing of a candidate's lawn sign on the property of a union (or corporation) does not constitute "individual volunteer activity" and is not covered by 11 C.F.R. § 114.9. Section 114.9 covers the "occasional, isolated, or incidental" use of corporate or union facilities, such as telephones, typewriters, photocopiers and the like. It was not intended to cover the placing of a candidate's campaign lawn sign on corporate or union property especially where it may be readily viewed by the general public.

Counsel's argument regarding the valuation of this use of the property is also not controlling. The placing of campaign lawn signs on commercial or residential property may not be an activity for which a readily ascertainable market price exists. This difficulty, however, does not compel a conclusion that no violation occurred or preclude the negotiation of an appropriate civil penalty.

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III. RECOMMENDATIONS

1. Find reason to believe that Volunteers for Vento and John J. Costello, as treasurer, violated 2 U.S.C. § 441b.
2. Find reason to believe District 77 of the International Association of Machinists violated 2 U.S.C. § 441b.
3. Approve the appropriate letters and attached factual and legal analyses.

Lawrence M. Noble
General Counsel

Date 3/11/91

BY:


Lois G. Lerner
Associate General Counsel

Attachments

1. Vento Committee Response
2. IAM Response
3. Factual and Legal Analyses (2)

91040334478

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
) MUR 3201
Volunteers for Vento and John J.)
Costello, as treasurer;)
)
Machinist Labor Temple of District 77 of)
the International Association of)
Machinists.)

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session of March 19, 1991, do hereby certify that the Commission decided by a vote of 6-0 to take the following actions in MUR 3201:

1. Find no reason to believe that Volunteers for Vento and John J. Costello, as treasurer, violated 2 U.S.C. § 441b.
2. Find reason to believe District 77 of the International Association of Machinists violated 2 U.S.C. § 441b, but take no further action and close the file.
3. Direct the Office of General Counsel to send appropriate letters and appropriate factual and legal analyses.

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

Attest:

3-20-91
Date

Marjorie W. Emmons
Marjorie W. Emmons
Secretary of the Commission

91040334479



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

March 28, 1991

Alan W. Weinblatt
Weinblatt and Davis
1616 Pioneer Building
336 Robert Street
St. Paul, MN 55101

RE: MUR 3201
Volunteers for Vento and John
J. Costello, as treasurer

Dear Mr. Weinblatt:

On December 19, 1990, the Federal Election Commission notified your clients of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended.

On March 19, 1991, the Commission found, on the basis of the information in the complaint, and information provided by you, that there is no reason to believe Volunteers for Vento and John J. Costello, as treasurer, violated 2 U.S.C. § 441b. Accordingly, the Commission closed its file in this matter. A copy of the General Counsel's Report is enclosed. A Statement of Reasons explaining the Commission's determination will be issued and sent to you at a later time.

This matter will become a part of the public record within 30 days. If you wish to submit any materials to appear on the public record, please do so within ten days. Please send such materials to the Office of the General Counsel.

Sincerely,

Lawrence M. Noble
General Counsel

BY: 
Lois G. Lerner
Associate General Counsel

Enclosure
General Counsel's Report

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

March 28, 1991

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Ian Maitland
2366 Chilcombe Avenue
St. Paul, MN 55108

RE: MUR 3201

Dear Mr. Maitland:

This is in reference to the complaint you filed with the Federal Election Commission on December 14, 1990, concerning Volunteers for Vento and District 77 of the International Association of Machinists.

Based on that complaint, on March 19, 1991, the Commission found that there was reason to believe District 77 of the International Association of Machinists violated 2 U.S.C. § 441b, a provision of the Federal Election Campaign Act of 1971, as amended. However, after considering the circumstances of this matter, the Commission also determined to take no further action against District 77 of the International Association of Machinists. The Commission also found no reason to believe Volunteers for Vento and John J. Costello, as treasurer, violated 2 U.S.C. § 441b. Accordingly, the Commission closed the file in this matter on March 19, 1991. A copy of the General Counsel's Report is enclosed. A Statement of Reasons explaining the Commission's determinations will be issued and sent to you at a later time.

This matter will become part of the public record within 30 days. The Federal Election Campaign Act of 1971, as amended, allows a complainant to seek judicial review of the Commission's dismissal of this action. See 2 U.S.C. § 437g(a)(8).

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Ian Maitland
Page 2
MUR 3201

If you have any questions, please contact Jeffrey D. 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

91040334432



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

March 28, 1991

CLOSED

William C. Diesslin
District 77 of the International
Association of Machinists
1399 Eustis
St. Paul, MN 55108

RE: MUR 3201
District 77 of the
International Association of
Machinists

Dear Mr. Diesslin:

On March 19, 1991, the Federal Election Commission found reason to believe that District 77 of the International Association of Machinists violated 2 U.S.C. § 441b, a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). However, after considering the circumstances of this matter, the Commission also determined to take no further action and closed its file. The General Counsel's Report is enclosed. A Statement of Reasons explaining the Commission's determination will be issued and sent to you at a later time.

The Commission reminds you that displaying a campaign sign for Rep. Bruce Vento on the property of District 77 but where it could be viewed by the general public appears to be a violation of 2 U.S.C. § 441b. You should take immediate steps to insure that this activity does not occur in the future.

The file will be made 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. Such materials should be sent to the Office of the General Counsel.

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William C. Diesslin
MUR 3201
Page 2

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

Sincerely,


John Warren McGahey
Chairman

Enclosure
General Counsel's Report

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THIS IS THE END OF MUR # 3201

DATE FILMED 4/17/91 CAMERA NO. 4

CAMERAMAN AS

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FEDERAL ELECTION COMMISSION
WASHINGTON, D C 20463

THE FOLLOWING DOCUMENTATION IS ADDED TO
THE PUBLIC RECORD IN CLOSED MUR 3201 .

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

MEMORANDUM

TO: LAWRENCE NOBLE
GENERAL COUNSEL

FROM: *RM* MARJORIE W. EMMONS/DONNA ROACH *CR*
COMMISSION SECRETARY

DATE: APRIL 9, 1991

SUBJECT: STATEMENT OF REASONS: MUR 3201

Attached is a copy of the Statement of Reasons in MUR 3201 signed by the Commissioners'. This was received in the Commission Secretary's Office on April 9, 1991 at 8:52 a.m.

cc: COMMISSIONERS
STAFF DIRECTOR SURINA
PRESS OFFICER FRED EILAND

21040335407



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

In the Matter of)
)
Volunteers for Vento and)
John J. Costello, as treasurer)
)
District 77 of the)
International Association)
of Machinists)

MUR 3201

STATEMENT OF REASONS

On December 17, 1990, the Commission received a complaint against Volunteers for Vento and John J. Costello, as treasurer, ("Vento Committee") and District 77 of the International Association of Machinists ("District 77"). The complaint alleged that a lawn sign on behalf of Representative Bruce Vento's candidacy had been placed on the premises of District 77, adjacent to a highway and visible to the passing public. In a report dated March 11, 1991, the General Counsel recommended that the Commission find reason to believe the Vento Committee and District 77 each had violated 2 U.S.C. §441b, which prohibits a labor organization from making a contribution or expenditure in connection with a federal election and a political committee from knowingly accepting such a prohibited contribution or expenditure.

On March 19, 1991, the Commission considered the General Counsel's recommendations. The Commission found no reason to believe that the Vento Committee violated §441b because there was

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no evidence indicating that the Vento Committee had any involvement in the placement of the sign. The Commission found reason to believe that District 77 had violated §441b but took no further action in view of the de minimis nature of the violation and voted to close the file in MUR 3201.

Date

4/8/91

John Warren McGarry
Chairman

Date

4/4/91

Joan D. Aikens
Vice Chairman

Date

4.4.91

Lee Ann Elliott
Commissioner

Date

4/4/91

Thomas J. Josefiak
Commissioner

Date

4-5-91

Danny Lee McDonald
Commissioner

Date

4/4/91

Scott E. Thomas
Commissioner

91040835409



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

April 16, 1991

CLOSED

Ian Maitland
2366 Chilcombe Avenue
St. Paul, Minnesota 55108

RE: MUR 3201

Dear Mr. Maitland:

By letter dated March 28, 1991, the Office of the General Counsel informed you of determinations made with respect to the complaint you filed against Volunteers for Vento and District 77 of the International Association of Machinists. Enclosed with that letter was the General Counsel's Report.

Enclosed please find a Statement of Reasons adopted by the Commission explaining its decision to find no reason to believe that the Vento Committee violated 2 U.S.C. § 441b, and to find reason to believe but take no further action against District 77, from six Commissioners explaining their vote. This document will be placed on the public record as part of the file of MUR 3201.

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
Statement of Reasons

2104035410



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

April 16, 1991

Alan W. Weinblatt
Weinblatt and Davis
1616 Pioneer Building
336 Robert Street
St. Paul, MN 55101

RE: MUR 3201

Dear Mr. Weinblatt:

By letter dated March 28, 1991, the Office of the General Counsel informed you of determinations made with respect to the complaint filed against Volunteers for Vento by Ian Maitland. Enclosed with that letter was the General Counsel's Report.

Enclosed please find a Statement of Reasons adopted by the Commission explaining its decision to find no reason to believe that the Vento Committee violated 2 U.S.C. § 441b, from six Commissioners explaining their vote. This document will be placed on the public record as part of the file of MUR 3201.

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

A handwritten signature in black ink, appearing to read "Lois G. Lerner", is written over a horizontal line.

BY: Lois G. Lerner
Associate General Counsel

Enclosure
Statement of Reasons

21040335411



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

April 16, 1991

William C. Diesslin
District 77
International Association of Machinists
1399 Eustis
St. Paul, Minnesota 55108

RE: MUR 3201

Dear Mr. Diesslin:

By letter dated March 28, 1991, the Office of the General Counsel informed you of determinations made with respect to the complaint filed against District 77 by Ian Maitland. Enclosed with that letter was the General Counsel's Report.

Enclosed please find a Statement of Reasons adopted by the Commission explaining its decision to find reason to believe that District 77 violated 2 U.S.C. § 441b but to take no further action, from six Commissioners explaining their vote. This document will be placed on the public record as part of the file of MUR 3201.

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
Statement of Reasons

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