



LiUNA!

MIDWEST REGIONAL OFFICE

1 North Old State Capitol Plaza • Suite 525 • Springfield, IL 62701
Phone: (217) 522-3381 • Fax: (217) 522-6588

Mr. Jeff S. Jordan
Assistant General Counsel
Complaints Examination and Legal Administration
Federal Elections Commission
999 E. Street, NW
Washington, D.C. 20436

Re: MUR 7137 Complaint of Laborers' member Terry L. Miles

Dear Mr. Jordan,

I am writing on behalf of Midwest Region Laborers' Political League (Fed LPL) and its Treasurer, Sean Stott, 1 North Old State Capitol Plaza, Springfield Illinois in response to the Commission's correspondence, dated April 14, 2017 and received April 20, 2017. We have requested and you have graciously extended additional time to respond to the letter to May 20, 2017.

Please accept this letter and attached affidavit as a statement of the Fed LPL's position regarding the above referenced charge filed by Terry L. Miles, who is apparently a member of the Laborers' International Union of North America from Wisconsin and who was working in Illinois for a one month period in June of 2016 on the Precision Pipeline project being executed in Illinois/Iowa last year. I am representing the Midwest Region Laborers' Political League (Fed LPL) with respect to Mr. Miles's charge, and future communications on this matter should be directed to the undersigned. We appreciate your willingness to allow us to timely respond and this letter and attached documents will serve as that response.

The complaint involves a member of the Laborers' International Union, Wisconsin Local 268, member Terry Miles, who accepted employment with Precision Pipeline on the Dakota Access Pipeline project which was under construction in Illinois of June, 2016 and moved to Iowa in July 2016, where the work continued through the end of 2016. The Dakota

Access Pipeline project runs through several states. By way of background, when a Laborer member works on the pipeline, the member works under the hourly rate of pay and benefit package of each respective Laborers' Local union with jurisdiction in the geographic area. Thus, on a pipeline project, a Laborer member may work under the contract terms of one Laborers' Local Union in one month and a subsequent Laborers' Local Union in the next month.

Based on our investigation of this complaint, for one month, June 2016, Mr. Miles was working in Illinois, ostensibly under Laborers' Local Union 231, Pekin Illinois although Local 231 was unaware that he was on payroll in their jurisdiction.

With respect to the work in June, Precision Pipeline officials have contacted us and informed us that, due to a computer inaccuracy in their payroll system, \$11.70 was inadvertently withheld from Mr. Miles' paycheck for our fund, Fed LPL, during the month of June, 2016. I believe that Precision Pipeline has taken full responsibility for the inadvertent withholding and Precision Pipeline has further provided us with their payroll records which show that this amount \$11.70 was withheld for "Fed LPL". Our records also reflect that we received a total of \$11.70 from a T. Miles (see attached affidavit).

Fed LPL would have had no way of knowing of the inaccuracy in the receipt of the funds had it not been for the contact from Precision Pipeline and the FEC complaint.

In conclusion, it is our understanding, from discussions with Precision Pipeline and a review of their submittal to you, that the \$11.70 deductions were strictly inadvertent and taken in good faith, resulting solely from a computer glitch. It seems clear that the administrative glitch was due to no action whatsoever related to our fund.

In conclusion, the facts show:

- the inadvertent PAC deductions taken in June were not the result of any action on the part of Midwest Region Laborers' Political League (Fed

LPL) but were, instead, an inadvertent result of an inaccurate Pipeline webpage.

- to the extent that Fed LPL now been made aware, as a result of this complaint, that the Precision Pipeline glitch has resulted in \$11.70 in inadvertently withheld political contributions to the Fed LPL, the same amount can be remitted to the member and we are happy to do so

If we can provide additional information, we stand ready to do so.

Very truly yours,

Ellen Schanzle-Haskins
Attorney At Law
Representing Midwest Region Laborers' Political League
1 North Old State Capitol Plaza Suite 525
Springfield, Illinois 62701
217 331-5528

Enc: Affidavit of Jamie LaFauce' Assistant Treasurer and Records Custodian,
Midwest Region Laborers' Political League (Fed LPL)

AFFIDAVIT OF JAMIE LAFAUCE

I, Jamie LaFauce, having been first duly sworn on oath, state and depose as follows with regard to Federal Election Commission Confidential Complaint MUR 7137:

1. I am more than 21 years of age, am competent to testify, and have personal knowledge of the facts stated herein.

2. I serve as the Assistant Treasurer of Midwest Region Laborers' Political League (Fed. LPL) and have served in that position for the past 2 years and 5 months. As such, I administer the Fed. LPL on a daily basis. I am the custodian of, and familiar with, its books, records, policies and practices.

3. The Midwest Region Laborers' Political League (Fed. LPL) receives voluntary contributions from Laborers' International Union of North America ("LiUNA!") members who have designated their respective wish to contribute.

4. It is my understanding that the Laborers-Employers Benefit Plan Collection Trust in Washington, D.C. (LEBPCT) is a joint labor-management, non-profit trust that serves as a clearinghouse for contributions and other payments owed by various employers under collective bargaining agreements to employee benefit funds, Local Unions and other organizations sponsored by the LiUNA!. It is my understanding that the LEBPCT was established in 1994 pursuant to the National Agreement between LiUNA! and the Pipe Line Contractors Association to receive and distribute all employer contributions and other payments owed under that Agreement to employee benefit funds, Local Unions and related organizations.

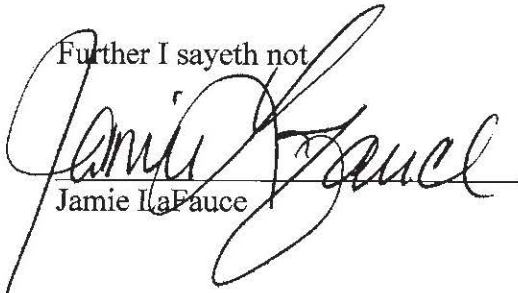
5. It is my understanding that, under the LEBPCT system, employers submit to the LEBPCT the contributions and other payments they owe, along with contribution reports. The LEBPCT distributes these contributions, payments and reports to the appropriate benefit funds, Local Unions and other organizations. This centralized system spares contractors from having to send multiple checks and reports to multiple funds.

6. Among the payments received from employers by the LEBPCT are voluntary political action committee ("PAC") contributions deducted by the employers from the wages of individual LiUNA! Members who authorize the deductions, typically when they begin employment. The LEBPCT receives these contributions and distributes them to a designated entity such as the respective Laborers' Local Union of the Midwest Region. That entity will then, in turn, remit the contribution to Springfield, Illinois to the Midwest Region Laborers' Political League (Fed. LPL).

7. I have been asked to review the Midwest Region Laborers' Political League (Fed. LPL) records regarding contributions received by the LEBPCT, forwarded to a Laborers' Local Union and distributed to the Midwest Region Laborers' Political League from a member named Terry Miles to determine whether any such contributions were distributed to us. I did so, and determined that:

- (a) The records indicate that an employer (I am told the employer is Precision Pipeline) deducted a total of \$11.70 in Fed LPL contributions from an employee known as T. Miles. This amount would have been sent to the LEBPCT. The LEBPCT would then have forwarded \$11.70 to Laborers' Local 231 (according to the records I have reviewed), which in turn, forwarded a total of \$11.70 to the Fed LPL office in Springfield, Illinois attributed to "T. Miles". This amount was identified as a Fed. LPL contribution along with hundreds of other contributions received from members;

According to our records, no other Fed. LPL contributions for T. Miles were received by the Midwest Region Laborers' Political League (Fed. LPL).

Further I sayeth not

Jamie LaFauce

Notary's Certification

Sworn to and subscribed before me by the person known to me as Jamie LaFauce on the 19th day of May, 2017 in Springfield, Illinois.


Notary Public

My commission expires on May 17, 2018

