



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

DEC 20 2017

Laurence E. Gold, Esq.  
Trister, Ross, Schadler, and Gold, PLLC  
1666 Connecticut Avenue, NW, Suite 500  
Washington, DC 20009

RE: MUR 7137  
Laborers' International Union  
of North America PAC  
Armand E. Sabitoni, Treasurer

Dear Mr. Gold:

On September 27, 2016, the Federal Election Commission notified your client, Laborers' International Union of North America PAC and Armand E. Sabitoni as treasurer, of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended.

On December 12, 2017, the Commission found, on the basis of the information in the complaint, and information provided by your client, that there is no reason to believe you client violated the Act. Accordingly, the Commission closed its file in this matter as it pertains to your client. The Factual and Legal Analysis, explaining the Commission's findings, is enclosed.

The Commission reminds you that the confidentiality provisions of 52 U.S.C. § 30109(a)(12)(A) remain in effect, and that this matter is still open with respect to other respondents. The Commission will notify you when the entire file has been closed.

If you have any questions, please contact Antoinette Fuoto, the attorney assigned to this matter, at (202) 694-1650.

Sincerely,

A handwritten signature in black ink, appearing to read "Jin Lee".

Jin Lee  
Acting Assistant General Counsel

Enclosure  
Factual and Legal Analysis

**FEDERAL ELECTION COMMISSION****FACTUAL AND LEGAL ANALYSIS**

RESPONDENT: LIUNA PAC MUR: 7137

**I. INTRODUCTION**

Complainant, an employee of Precision Pipeline, LLC (“Precision Pipeline”), alleges that political contributions to a union separate segregated fund (“SSF”) were deducted from his paychecks without authorization, in violation of the Federal Election Campaign Act of 1971, as amended (the “Act”). Complainant also alleges that when he refused to authorize the contributions, personnel associated with Local #538 of the Laborers’ International Union of North America and Precision Pipeline told him they were mandatory, and a Precision Pipeline manager threatened his job if he refused. LIUNA PAC states that it did not receive any of the contributions Complainant claims were unlawfully deducted.<sup>1</sup> The record provides no information suggesting that contributions were solicited on behalf of LIUNA PAC.

**II. LEGAL ANALYSIS**

The Act and Commission regulations prohibit labor organizations from making contributions in connection with a federal election.<sup>2</sup> A labor organization may establish an SSF for the purpose of engaging in federal political activity.<sup>3</sup> All such contributions must be voluntary.<sup>4</sup> The SSF may not make contributions or expenditures using “money or anything of value secured by physical force, job discrimination, financial reprisals, or the threat of force, job

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<sup>1</sup> LIUNA PAC Resp. at 1 (Nov. 8, 2016).

<sup>2</sup> 52 U.S.C. § 30118(a); 11 C.F.R. § 114.2(b).

<sup>3</sup> 52 U.S.C. § 30118(b)(2)(C).

<sup>4</sup> See Advisory Op. 2003-14 (Home Depot) at 3.

1 discrimination, or financial reprisal; or by dues, fees, or other monies required as a condition of  
2 membership[.]”<sup>5</sup>

3 A labor organization may use a payroll-deduction or check-off system to collect  
4 contributions to its SSF.<sup>6</sup> A contributor, however, must affirmatively authorize such payroll  
5 deductions from his or her wages.<sup>7</sup> To ensure that contributions solicited for an SSF are  
6 voluntary, the Act and the Commission’s regulations make it unlawful for any person to solicit a  
7 contribution to an SSF without informing the employee of the political purpose of the SSF and of  
8 the right to refuse to contribute to the SSF without reprisal.<sup>8</sup> Additionally, a corporation, labor  
9 organization, or the SSF of either “may not enforce any guidelines for contributions.”<sup>9</sup>  
10 A solicitation may be coercive if guidelines are provided without the requisite notices explaining  
11 the voluntary nature of those guidelines.<sup>10</sup>

12 LIUNA PAC does not appear to have received contributions from the Complainant, nor is  
13 there any evidence that contributions were solicited on behalf of LIUNA PAC. Accordingly, the  
14 Commission finds no reason to believe that LIUNA PAC violated the Act or Regulations.

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<sup>5</sup> 52 U.S.C. § 30118(b)(3)(A); 11 C.F.R. § 114.5(a).

<sup>6</sup> See generally Advisory Op. 2013-12 (SEIU and SEIU Cope) at 3.

<sup>7</sup> See *id.*; *Fed. Election Comm’n v. Nat’l Educ. Ass.*, 457 F. Supp. 1102 (D.D.C. 1978); Advisory Op. 1999-03 (Microsoft PAC) at 2 (explaining that payroll deductions require advance showing of contributor’s “specific and voluntary donative intent”).

<sup>8</sup> 52 U.S.C. § 30118(b)(3)(B)-(C); 11 C.F.R. § 114.5(a)(3)-(4). The term “person” includes an individual, partnership, committee, association, corporation, labor organization, or any other organization or group of persons. 52 U.S.C. § 30101(11).

<sup>9</sup> 11 C.F.R. § 114.5(a)(2).

<sup>10</sup> See Conciliation Agreement IV.7, MUR 5337 (First Consumers Nat’l Bank) (conciliating prohibited facilitation of national bank contributions to state SSF).