

**FEDERAL ELECTION COMMISSION**

Washington, D.C. 20463

May 6, 2022

Via Electronic Mail

wmartucci@shb.com

William C. Martucci, Esq.
Shook Hardy & Bacon, LLP
1155 F Street NW, Suite 200
Washington, DC 20004

RE: MUR 7137
Precision Pipeline, LLC
Jillian Preller

Dear Mr. Martucci:

On July 22, 2021, the Federal Election Commission accepted the signed conciliation agreement submitted on your clients' behalf in settlement of violations of 52 U.S.C. § 30118(b)(3)(C), a provision of the Federal Election Campaign Act of 1971, as amended (the "Act"), and 11 C.F.R. § 114.5(a)(4). Accordingly, the file has been closed in this matter.

Documents related to the case will be placed on the public record within 30 days. *See* Disclosure of Certain Documents in Enforcement and Other Matters, 81 Fed. Reg. 50,702 (Aug. 2, 2016). Information derived in connection with any conciliation attempt will not become public without the written consent of the respondent and the Commission. *See* 52 U.S.C. § 30109(a)(4)(B).

Enclosed you will find a copy of the fully executed conciliation agreement for your files. Please note that the effective date of the conciliation agreement is May 6, 2022. The civil penalty is due within 60 days of that date. If you have any questions, please contact me at (202) 694-1650.

Sincerely,

A handwritten signature in cursive script that reads "Jin Lee".

Jin Lee
Deputy Associate General Counsel
for Enforcement

Enclosure:
Conciliation Agreement

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)	
)	MUR 7137
Precision Pipeline, LLC)	
Jillian Preller)	
)	

CONCILIATION AGREEMENT

This matter was initiated by a signed, sworn, and notarized complaint by Terry Miles.

The Federal Election Commission (“Commission”) found reason to believe that Precision Pipeline, LLC and Jillian Preller (collectively, “Respondents”) violated 52 U.S.C. § 30118(b)(3)(C) and 11 C.F.R. § 114.5(a)(4).

NOW, THEREFORE, the Commission and the Respondents, having participated in informal methods of conciliation, prior to a finding of probable cause to believe, do hereby agree as follows:

I. The Commission has jurisdiction over the Respondents and the subject matter of this proceeding. This Conciliation Agreement (“Agreement”) is entered pursuant to 52 U.S.C. § 30109(a)(4)(A)(i).

II. Respondents have had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. Respondents enter voluntarily into this Agreement with the Commission.

IV. The pertinent facts and law in this matter are as follows:

Facts

1. Precision Pipeline, LLC (“Precision Pipeline”) is a liquid and gas pipeline contracting firm with projects across the United States.
2. Jillian Preller is a field office manager for Precision Pipeline.

3. Precision Pipeline processes payroll deductions for political contributions on behalf of the Laborers' International Union of North America, of which many of its members belong. Midwest Region Laborers' Political League is a separate segregated fund of the union.

4. Precision Pipeline is affiliated with the Pipe Line Contractors Association ("PLCA"), an association of pipe line contractors that negotiates labor agreements on behalf of its members. When Precision Pipeline began work in Illinois, it entered into an agreement with the local PLCA.

5. The PLCA agreement contained an appendix specifying the amount of Laborers' International Union of North America deductions to be made from each union employee's pay in each zone within Illinois, and which deductions needed prior approval from the employee. Due to an error in the PLCA agreement, Precision Pipeline's payroll system was set up so that political contributions were automatically withheld from employees working on one job, which lasted from April 2016 to December 2016, without checking to see if such deductions were authorized by the employee.

6. As a result, Precision Pipeline deducted unauthorized political contributions from thirteen employees in 2016. The total amount of unauthorized political contributions to Midwest Region Laborers' Political League that were improperly withheld from employee paychecks in 2016 was \$181.15.

7. In June 2016, when an employee complained about the unauthorized political contribution deduction from his paycheck, Ms. Preller told the employee that he could leave the job if he was unhappy with the political contribution deduction.

Law

8. The Act and Commission regulations prohibit corporations and labor organizations from making contributions in connection with a federal election. 52 U.S.C. § 30118(a); 11 C.F.R. § 114.2(b). Labor organizations are permitted to establish and solicit political contributions to a separate segregated fund (“SSF”). 52 U.S.C. § 30118(b)(2)(c); 11 C.F.R. § 114.1(a)(2)(iii). All contributions to an SSF must be voluntary and without coercion. 52 U.S.C. § 30118(b)(3)(A); 11 C.F.R. § 114.5(a)(1).

9. A corporation or labor organization may use a payroll-deduction or check-off system to collect and forward contributions to an SSF. *See* 11 C.F.R. §§ 114.1(f); 114.2(f)(4)(i); 114.5(k)(1). A contributor must affirmatively authorize such payroll deduction from the contributor’s wages. *See* Advisory Op. 2013-12 (SEIU and SEIU Cope) at 3; Advisory Op. 1999-03 (Microsoft PAC) at 2.

V. Precision Pipeline and Jillian Preller violated 52 U.S.C. § 30118(b)(3)(C) and 11 C.F.R. § 114.5(a)(4) by withholding political contributions from thirteen employees’ paychecks without previously informing the employees of their right to refuse to contribute without any reprisal and threatening reprisal against the Complainant if he continued to object to the withholdings.

VI. Respondents will take the following actions:

1. Respondents will cease and desist from violating 52 U.S.C. § 30118(b)(3)(C) and 11 C.F.R. § 114.5(a)(4).
2. Respondents will pay a joint civil penalty of Seven Thousand Five Hundred Dollars (\$7,500), pursuant to 52 U.S.C. § 30109(a)(5)(A).

3. Respondents will inform each of the thirteen individuals described in Section V that Precision Pipeline withheld political contributions from their paychecks without their authorization.

4. Respondents will notify Midwest Region Laborers' Political League of this settlement and request that Midwest Region Laborers' Political League refund the unauthorized political contributions to the thirteen individuals described in Section V.

VII. The Commission, on request of anyone filing a complaint under 52 U.S.C. § 30109(a)(1) concerning the matters at issue herein or on its own motion, may review compliance with this Agreement. If the Commission believes that this Agreement or any requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

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

IX. Respondents shall have no more than 60 days from the date this Agreement becomes effective to comply with and implement the requirements contained in this Agreement and to so notify the Commission.

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

MUR 7137 (Precision Pipeline, LLC and Jillian Preller)
Conciliation Agreement
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FOR THE COMMISSION:

BY: **Charles
Kitcher**

Charles Kitcher
Acting Associate General Counsel
for Enforcement


Digitally signed by Charles Kitcher
Date: 2022.05.06 10:47:49 -04'00'

5/6/22
Date

FOR THE RESPONDENTS:



Virginia Pagliery
Counsel for Respondents

6-8-21
Date