



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

February 12, 2020

LARRY ENGELSTEIN, TREASURER
LOCAL 32BJ SERVICE EMPLOYEES
INTERNATIONAL UNION AMERICAN DREAM
POLITICAL ACTION FUND
25 WEST 18TH STREET 5TH FLOOR
NEW YORK, NY 10011

Response Due Date
03/18/2020

IDENTIFICATION NUMBER: C00355289

REFERENCE: YEAR-END REPORT (07/01/2019 - 12/31/2019)

Dear Treasurer:

This letter is prompted by the Commission's preliminary review of the report referenced above. This notice requests information essential to full public disclosure of your federal election campaign finances. **Failure to adequately respond by the response date noted above could result in an audit or enforcement action.** Additional information is needed for the following 2 item(s):

1. Schedule A of your report (see attached) discloses one or more contributions which appears to be from a corporation(s) and/or labor organization(s). Please be advised that 52 U.S.C. §30118(a) prohibits the receipt of contributions from corporations and labor organizations unless made from separate segregated funds established by the corporations and labor organizations.

If any apparently prohibited contribution in question was incompletely or incorrectly disclosed, you must amend your original report with clarifying information.

If you have received prohibited contributions, you may have to make a refund. If within 30 days of receipt you (1) transferred the prohibited amount to an account not used to influence federal elections, and (2) provided written notice to the person making the contribution of the option of receiving a refund, you may retain the contribution in an account not used to influence federal elections. Any request from a donor for a refund must be honored.

If the foregoing conditions for transfers to a non-federal account were not met within 30 days of receipt, the prohibited amount must be refunded. (11 CFR §103.3(b)(1))

LOCAL 32BJ SERVICE EMPLOYEES INTERNATIONAL UNION AMERICAN DREAM
POLITICAL ACTION FUND

Page 2 of 3

Please inform the Commission of your corrective action promptly by providing the date and method of your remedy (refund and/or transfer to a non-federal account) for each contribution. The committee should retain for its records copies of refund checks and/or transfers to nonfederal account. In addition, any transfers-out or refunds should be disclosed on Schedule B supporting Line 22 or 28 of the report covering the period during which the transaction was made.

Although the Commission may take further legal action concerning the acceptance of prohibited contributions, prompt action by your committee to transfer-out or refund the amount will be taken into consideration.

2. Schedule B of your report discloses a total of \$1,000,000 in payments to your connected organization for "Membership political mobilization". Please be advised that 52 U.S.C. §30118 prohibits a corporation or labor organization from contributing funds for the purpose of influencing any federal election; however, a connected organization may pay for the solicitation and administrative costs of its separate segregated fund. Further, 11 CFR §114.2(f) prohibits corporations and labor organizations from facilitating the making of contributions to candidates or political committees, other than to the separate segregated funds of the corporations and labor organizations. Facilitation means using corporate or labor organization resources or facilities to engage in fundraising activities in connection with any federal election. The use of corporate or labor organization resources in connection with a fundraiser may be permissible for certain fundraising activities only if the corporation or labor organization receives advance payment for the fair market value of such services. (11 CFR §114.2(f)(2) (i)(A), (C) and (E))

Please amend your report to clarify whether the payment to your connected organization was intended to influence federal elections and provide the dates of the activity conducted by your connected organization. In addition, please clarify whether your committee made advance payment for these services to your connected organization. Although the Commission may take further legal action concerning this matter, your prompt action will be taken into consideration.

- Your report discloses certain categories of financial activity that have been reflected on the wrong lines of the Detailed Summary Page. For your information and consideration when preparing future filings, non-federal contributions should be properly disclosed on a separate Schedule(s) B, supporting Line(s) 29 of the Detailed Summary Page. Please refer to the instructions for each line when determining the proper categorization(s) for your next filing. (52 U.S.C. §30104(b) and FORM 3X Instructions)

LOCAL 32BJ SERVICE EMPLOYEES INTERNATIONAL UNION AMERICAN DREAM
POLITICAL ACTION FUND

Page 3 of 3

Please note, you will not receive an additional notice from the Commission on this matter. Adequate responses must be received by the Commission on or before the due date noted above to be taken into consideration in determining whether audit action will be initiated. Failure to comply with the provisions of the Act may also result in an enforcement action against the committee. Any response submitted by your committee will be placed on the public record and will be considered by the Commission prior to taking enforcement action. **Requests for extensions of time in which to respond will not be considered.**

Electronic filers must file amendments (to include statements, designations and reports) in an electronic format and must submit an amended report in its entirety, rather than just those portions of the report that are being amended. For information about the report review process or specific filing information for your committee type, please visit www.fec.gov/help-candidates-and-committees. For more information about Requests for Additional Information (RAI), why you received a letter, and how to respond, please visit www.fec.gov/help-candidates-and-committees/request-additional-information. Should you have any questions regarding this matter or wish to verify the adequacy of your response, please contact me on our toll-free number (800) 424-9530 (at the prompt press 5 to reach the Reports Analysis Division) or my local number(202) 694-1148.

Sincerely,

A handwritten signature in black ink, appearing to read 'SB' followed by a horizontal line and some smaller, less legible characters.

Scott Bennett
Campaign Finance Analyst
Reports Analysis Division

Apparent Impermissible, Excessive, and Prohibited Contributions
Local 32BJ Service Employees International Union American Dream Political Action Fund
(C00355289)

Contributions from Possible Prohibited Entities (Corporations, Labor Organization, LLCs)

Contributor Name	Date	Amount	Report
NCFO, 32BJ/SEUI	12/6/19	\$62,978.58	2019 Year-End