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NAME OF COMMITTEE (In Full)
LOCAL 32BJ SERVICE EMPLOYEES INTERNATIONAL UNION
AMERICAN DREAM POLITICAL ACTION FUND

FEC IDENTIFICATION NUMBER
C00355289

Mailing Address 25 WEST 18TH STREET
5TH FLOOR

City State ZIP Code
NEW YORK NY 10011

We are responding to your letter (RFI) dated February 12 regarding the Committee's 2019 Year-End Report. Our numeration matches that in the RFI.

1. The incoming Line 12 transfer was inadvertently misattributed. In fact, it was transferred by the affiliated Service Employees International Union Committee on Political Education, ID No. C00004036, as is reflected on page 576 of its Year-End report to the Commission. The Committee will amend its Year-End report accordingly.
2. You ask about two \$500,000 Committee disbursements, each disclosed as "[m]embership political mobilization" on Lines 21(b) and 29 respectively. We provide clarifying information in this response and, as we explain, we do not believe that amendment of the report is warranted.

We first note that the Reports Analysis Division ("RAD") three times since 2015 sent letters to the Committee with respect to the same kinds of disbursements, the Committee responded, and RAD did not inquire further. Specifically, RAD sent an RFI to the Committee on April 7, 2015 regarding the Committee's 2014 30-day Post-General Report, and we responded on June 18, 2015; RAD sent an RFI to the Committee on June 21, 2016 regarding the Committee's 2015 Year-End Report, and we responded on July 25, 2016; and RAD sent an RFI to the Committee on February 9, 2017, regarding the Committee's 2016 30-Day Post General Report, and we responded on March 16, 2017. Each RAD letter asked the same question, concerning possible membership communications and Advisory Opinion 2000-03, and each of our responses provided essentially the same answer.

On April 17, 2019, however, for the first time RAD asked a different question about substantively identical disbursements disclosed in the Committee's October 2018 Quarterly report: "whether [the Committee's] payment to [its] connected organization was intended to influence federal elections? -- and RAD requested that we "provide the dates of the activity conducted by [the] connected organization," and that we "clarify whether [the Committee] made advance payment for these services to [the] connected organization." The RFI advised that a labor organization is prohibited from making contributions or facilitating the making of contributions to candidates or political committees other than the organization's separate segregated fund. We responded to this RFI on May 22, 2019, and provide essentially the same response here because the circumstances are the same.

(We acknowledge that on October 17, 2019, RAD sent an RFI with respect to the Committee's 2019 Mid-Year Report that included identical language to the April 17, 2019 letter concerning Committee disbursements that were substantively identical to those in the previous reports that prompted RFIs, as described above. The Committee inadvertently overlooked this RFI and regrets its failure to respond. The response below also substantively responds to that RFI.)

In fact, the Committee has not made contributions and it has not facilitated the making of contributions to candidates or political committees. Rather, the two payments at issue were made for the same purposes that the Committee has termed "membership political mobilization" for years now, without objection by RAD in response to our explanations. As before, all of the payments were made to the Committee's connected organization, akin to grants, in order generally to defray expenses incurred by that organization for its member-focused political program, and for its preparations for subsequent elections, which were neither contributions nor independent expenditures under the Federal Election Campaign Act ("the Act") but were instead permissible spending otherwise by the Committee and the connected organization. These included expenses for organizational staff salaries; administration of the Committee and the organization's other separate segregated funds; administration of

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the political department; staff and membership political training and development; membership communications regarding federal and nonfederal elections, registration, voting and related matters; and professional fees related to all of the above.

The Committee accurately described the purpose of its disbursements at issue in the very limited space that Form 3X provides for doing so. We note that the Commission's publicly available informal guidance about "adequate purposes" provides a variety of recommended purpose descriptions, none of which relevantly refers to membership communications. And, as we have done previously, the payments were reported evenly between Lines 21(b) and 29 because that is a fair approximation of the apportionment of the reimbursement between "operating expenses" (21(b)) and "other disbursements" (29), insofar as the meanings of those reporting categories are discernible from the Form 3X instructions and the Commission's explications of them elsewhere. And, the connected organization's overall membership mobilization political program costs ordinarily exceed the amounts disbursed to it by the Committee.

The RFAI does not seek information that the Committee must disclose on Form 3X, as the payments were not "intended to influence federal elections" within the meaning of the Act and accordingly there are no "dates of [such] activity" to disclose. See generally Final Audit Report of the Commission on SEIU COPE (Service Employees International Union Committee on Political Education) (2011).

The Committee relied upon the Commission's longstanding rules and forms in filing its report, as well as on our previous exchanges of correspondence with RAD since 2015. If there has been a change of reporting policy with respect to such matters, then we submit that the Commission must inform the regulated community at large, or, as seems more appropriate, either undertake a rulemaking or issue a policy statement, in either case with appropriate public notice and opportunity to comment. None of that has occurred.

3. The RFAI does not identify the "certain categories of financial activity that have been reflected on the wrong lines of the Detailed Summary Page," and does not identify which "non-federal contributions should be properly disclosed on [Line 29.]" Please advise us which activity and contributions are intended. (As a general matter, we ask RAD always to identify, as it only sometimes does, the report entries to which an RFAI refers.) The detailed Summary Page accurately reflects the itemizations in the balance of the report, and we believe all of the itemizations are reported on the correct line. We would request clarification that the Committee correctly reported its transfer to the affiliated nonfederal committee KY FOPL on Line 29, as RAD's October 17, 2019 indicated was appropriate with respect to another nonfederal committee that is affiliated with the Committee. The Line 22 instructions are very unclear on this point, and "affiliated" "committees" of a political committee may include nonfederal committees. See 11 C.F.R. 102.6(a); Advisory Opinion 2003-29.