



STATE OF WASHINGTON  
**PUBLIC DISCLOSURE COMMISSION**

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BEFORE THE PUBLIC DISCLOSURE COMMISSION  
OF THE STATE OF WASHINGTON

In RE COMPLIANCE WITH  
RCW 42.17A

Temp-Control Mechanical Corp.

Respondent.

PDC Case 55700

Report of Investigation

**I. BACKGROUND**

**First Complaint**

- 1.1 United Association of Plumbers and Pipefitters Local 598 (UA Local 598) operates Plumbers & Steamfitters Local 598 PAC (Local 598 PAC or UA 598 PAC), a political committee funded by voluntary payroll deductions of employees who are members of the union. Since 2014, over \$1.6 million has been withheld from the wages of employees of several employers, and contributed to Local 598 PAC.
- 1.2 On November 19, 2018, Maxford Nelsen, Director of Labor Policy, Freedom Foundation, filed a complaint with the Public Disclosure Commission (PDC) alleging 37 named respondents may have violated RCW 42.17A.495, WAC 390-17-100, and WAC 390-17-110 by: (1) failing to obtain a proper written request from employees before withholding wages or salaries for contributions to Plumbers & Steamfitters Local 598 PAC; and (2) failing to provide an annual notification to employees who have requested payroll deductions for political contributions of their right to withdraw their request at any time, and of the prohibition against discrimination for not contributing.
- 1.3 Two of the 37 respondents named in the complaint were United Association of Plumbers and Pipefitters Local 598, PDC Case 43672, and Plumbers & Steamfitters Local 598 PAC, PDC Case 43673. However, the statute and rules primarily apply to employers/contractors who withhold wages or salaries as payroll deductions for political contributions. The statute and rules apply to the union by prohibiting the union from discriminating against a member who does not make political contributions.
- 1.4 The remaining 35 respondents were employers/contractors whose employees made political contributions to the union's PAC through payroll deductions. The complaint alleged that two versions of the work dispatch forms in use at the time did not comply with the withholding authorization requirements of RCW 42.17A.495 and WAC 390-17-100.

- 1.5 The withholding authorization accepted by the employers/contractors was developed by the union, even though the employers/contractors have been, and continue to be, responsible when there are deficiencies in the authorization, and when the annual notification is deficient or not sent as required by statute and rule, informing the employee of their right to revoke their authorization at any time, and of the employee's protection against discrimination by both the union and the employer/contractor for not contributing to the union's PAC.
- 1.6 One of the 35 employers/contractors was Temp-Control Mechanical Corp. (TCM), PDC Case 43704.
- 1.7 Staff's review of the November 19, 2018 complaint found the authorization form being accepted by the 35 employers/contractors did not conform to the requirements in RCW 42.17A.495 and WAC 390-17-100. Staff also found many of the employers/contractors had not been sending out the required annual notification to employees who have funds withheld for PAC contributions, as required by WAC 390-17-110.
- 1.8 In a letter sent February 14, 2019, PDC staff dismissed the complaint against the 35 employers/contractors even though staff found "the current authorization form being accepted by the 35 employers/contractors does not conform to the requirements in RCW 42.17A.495 and WAC 390-17-100." The dismissal letter included a formal written warning, and made it clear to the 35 employers/contractors, including Temp-Control Mechanical Corp., that in the future, they must: (1) receive proper "Political Contribution Withholding Authorization" forms before withholding wages or salaries for political contributions; (2) send out, or authorize the union to send out on its behalf, a proper annual notification to employees making PAC contributions through payroll deductions; and (3) maintain all required documents pertaining to political contribution withholding authorization forms, open for public inspection, for a period of three years after the last disbursement of wages or salaries, and maintain a copy of the annual notification and a listing of employees notified for a period of no less than five years. The February 14, 2019 letter made it clear that any revised authorization forms intended to correct the current deficiencies must have the following characteristics:
  - o The "Political Contribution Withholding Authorization" as it is described in WAC 390-17-100 should be a stand-alone form with its own signature. If the authorization is to be incorporated with additional information, it needs to have a separate section that clearly identifies it as a "Political Contribution Withholding Authorization." The authorization must be an "opt-in" system where the employee affirmatively requests to have wages or salaries withheld for political contributions. This means the authorization may not require the employee to "opt-out" in order to avoid making a political contribution.
  - o The authorization must either follow the suggested format provided in WAC 390-17-100, or include all of the required elements in WAC 390-17-100(2)(a) through (h), including a statement that the authorization may be

revoked at any time, and a statement informing the employee of the prohibition against employer and labor organization discrimination, including each element described in RCW 42.17A.495.

- 1.9 Staff informed the respondents, if the authorization form is different from the sample provided in WAC 390-17-100, it must include the language in WAC 390-17-100(2)(f) or an acceptable alternative statement. Staff stated, the language being suggested on behalf of the respondents of, *"I understand I have a right to refuse to so contribute without any reprisal"* is not an adequate substitute statement. Staff informed the respondents, the authorization must state, the prohibition against discrimination for failing to contribute to the union's PAC applies to both the employers/contractors and the union, and the authorization must describe or reference the three discrimination prohibitions found in RCW 42.17A.495(2) and WAC 390-17-100(2)(f).
- 1.10 Staff informed the respondents, WAC 390-17-110 states, "the written notification shall identify where the employee can submit the revocation, which shall be the name and address of the employer's contact, or the name and address of the person or entity responsible for the disbursement of funds in payment of wages or salaries." Staff also reminded the respondents of the "Written notification" distribution requirements in WAC 390-17-110(3) and the requirement in subsection (4) for the employer to maintain a copy of the annual notification and a listing of employees notified for a period of no less than five years.
- 1.11 Staff reminded the employers/contractors, including Temp-Control Mechanical Corp., they need to understand and comply with their responsibility to: (1) receive a proper authorization before withholding wages or salaries for a PAC contribution; (2) provide a proper annual notification to employees making political contributions through payroll deductions; and (3) maintain the required records related to the written authorizations and annual notifications.
- 1.12 The respondents stated they would ensure staff's suggested changes were incorporated into the written authorization form, and a proper annual notification would be sent to employees making PAC contributions through payroll deductions. United Association of Plumbers and Pipefitters Local 598 stated they would make staff's suggested changes to the written authorization form, would send the annual notification on behalf of the employers/contractors, and would provide a copy of the annual notifications sent, to the respective employers.
- 1.13 Based on its findings, staff determined, for the complaint filed in the instance described above, no evidence supported a finding of an actual violation warranting further investigation concerning the alleged failure of United Association of Plumbers and Pipefitters Local 598, PDC Case 43672, and Plumbers & Steamfitters Local 598 PAC, PDC Case 43673, to comply with RCW 42.17A.495, WAC 390-17-100, and WAC 390-17-110.

- 1.14 Based on its findings, staff determined, for the complaint filed November 19, 2018, the failure of the 35 employers/contractors to: (1) receive a proper authorization before withholding wages or salaries for a PAC contribution; and (2) provide a proper annual notification to employees making political contributions through payroll deductions did not amount to an actual violation warranting further investigation.
- 1.15 On February 14, 2019, pursuant to WAC 390-37-060(1)(b), the 35 employers/contractors, including Temp-Control Mechanical Corp., received a formal written warning concerning: (1) their failure to obtain a proper written request from employees before withholding wages or salaries for contributions to Plumbers & Steamfitters Local 598 PAC; and (2) their failure to provide an annual notification to employees who have requested payroll deductions for political contributions, of their right to withdraw their request at any time, and of the prohibition against discrimination by the employer and the union for not contributing. The formal written warning included staff's expectation that the 35 employers/contractors would fully comply with RCW 42.17A.495, WAC 390-17-100, and WAC 390-17-110 in the future. Staff stated the Commission would consider the formal written warning in deciding on further Commission action if there were future violations of PDC laws or rules. Based on this information, the PDC found no further action was warranted and dismissed the matter in accordance with RCW 42.17A.755(1).

## **Second Complaint**

- 1.16 According to Maxford Nelsen, based on C-3 reports filed with the PDC, in January 2019, Plumbers & Steamfitters Local 598 PAC reported receiving \$39,916.45 from about 600 individuals. In February, the PAC received \$39,571.99 in contributions from about 650 individuals. In March, the first full month after the PDC issued its February 14, 2019 warning letter, the PAC reported receiving \$49,593.69 in contributions from about 730 individuals. In April 2019, UA 598's PAC disclosed receiving \$43,098.41 in contributions from about 780 individuals.
- 1.17 According to Mr. Nelsen, based on this information, the Freedom Foundation asked UA 598 to provide it an opportunity to inspect the "deduction authorization/'dispatch form' for every person listed on the form C3 filed by UA 598's political committee on April 5, 2019 with the Public Disclosure Commission," in accordance with RCW 42.17A.495(4). He said the Foundation was permitted to inspect records at the union's headquarters in Pasco on May 8, 2019.
- 1.18 Mr. Nelsen said the Freedom Foundation's inspection revealed the union possessed only 13 legally valid dispatch forms and continued to receive contributions to its PAC from hundreds of employees based on invalid authorizations.
- 1.19 On May 21, 2019, Mr. Nelsen filed a second complaint, alleging 19 employers had continued to violate RCW 42.17A.495 and WAC 390-17-100, after receiving the February 14, 2019 dismissal and warning letter from the PDC by deducting contributions to UA 598

PAC from employees' wages, without proper authorization. Mr. Nelsen did not name TCM as a Respondent in his second complaint.

1.20 On June 3, 2019, the PDC dismissed these cases pursuant to RCW 42.17A.755(1). In a case closure letter to the Respondents, the PDC noted:

- "The PDC's action was taken because Freedom Foundation did not submit evidence of violations based on direct contact with individual employers/contractors."
- "The responsibility to use proper authorization forms and maintain the required records for public inspection is not a responsibility of the union or its political committee, and these responsibilities cannot be delegated to the union or political committee on behalf of the employers/contractors... [E]mployers/contractors remain responsible for direct compliance with the law and rules even if the union or its political committee provides records to a requester."
- "PDC staff recommends you consult with your legal counsel to ensure you are fully compliant with RCW 42.17A.495, WAC 390-17-100, and WAC 390-17-110. The PDC's action does not preclude Freedom Foundation from contacting individual employers/contractors and refiling a complaint based on evidence obtained from individual employers/contractors."

## II. ALLEGATIONS IN COMPLAINT

### **Current Compliant**

- 2.1 On July 26, 2019, Maxford Nelsen, Director of Labor Policy, Freedom Foundation, filed a complaint with the Public Disclosure Commission, alleging Temp-Control Mechanical Corp. was in violation of RCW 42.17A.495 and WAC 390-17-100 by continuing to deduct employees' wages for political contributions to Plumbers & Steamfitters Local 598 PAC, the political action committee operated by United Association of Plumbers and Pipefitters Local 598, without first obtaining authorizations that comply with RCW 42.17A.495 and WAC 390-17-100. **(Exhibit 1)**
- 2.2 The complaint also alleged, even the otherwise compliant authorization forms violate WAC 390-17-100 by impermissibly restricting employees' ability to choose how much to contribute to the PAC, requiring employees to agree to have 0.7 percent of their wages deducted for PAC contributions, even though the template form set forth in WAC 390-17-100 permits the employee to designate the specific dollar amount they wish to contribute.
- 2.3 Lastly, the complaint alleged, while all versions of the authorization form specify a PAC contribution rate of 0.7% of employee wages, TCM appears to have collected vastly more than this amount from the wages of at least some employees.
- 2.4 The complaint states, despite receiving a warning letter from the PDC on February 14, 2019, informing the firm none of the existing employee authorizations were compliant, Temp-Control Mechanical Corp. has continued to deduct political contributions to UA 598's PAC

from its employees without first obtaining authorizations that comply with RCW 42.17A.495(3) and WAC 390-17-100.

- 2.5 The complaint alleged, from March-May 2019, TCM withheld at least \$5,694.74 from nearly two dozen of its employees' wages for Local 598 PAC, with all deductions made in violation of RCW 42.17A.495(3) and WAC 390-17-100.
- 2.6 The complaint alleged the terms of the authorization forms TCM has for the bulk of its employees have already been recognized by the PDC as out of compliance with RCW 42.17A.495. The complaint alleged one employee's authorization form was signed but not dated, and only three employees had provided TCM with an authorization that had not already been recognized by the PDC as non-compliant.

## II. FINDINGS

*Alleged failure to obtain written authorizations from employees, before withholding wages or salaries, during the period March, April, and May 2019, that fully comply with RCW 42.17A.495 and WAC 390-17-100. Also, an alleged failure to allow the employee to designate the total dollar amount per pay period (or per week, month or year) to be deducted for contributions to Plumbers & Steamfitters Local 598 PAC, the political committee of United Association of Plumbers and Pipefitters Local 598, by precluding employees from designating an amount other than the suggested PAC contribution of 0.70% (0.0070) of wages.*

### Findings Based on Freedom Foundation Compliant

- 3.1 On June 6, 2019, the Freedom Foundation sent a letter to TCM requesting to inspect the PAC deduction authorization forms for TCM employees listed as contributors to Local 598's PAC in March, April, and/or May 2019 on the PAC's C-3 forms. The letter asked to view the authorizations on or prior to June 28, 2019. On July 8, 2019, after receiving no response, Mr. Nelsen re-contacted TCM, stating the Freedom Foundation was resending its request as a courtesy before bringing the matter to the attention of the PDC.
- 3.2 On July 11, 2019, Mr. Nelsen received an email reply from Michelle August apologizing for the delay in responding to the Freedom Foundation's request and inviting Mr. Nelsen to provide potential dates for inspecting the authorization forms for the employees included in the request letter.
- 3.3 On July 15, 2019, Mr. Nelsen confirmed an appointment to review the authorization forms on July 24, 2019 at 2:00 p.m. On July 24, 2019, Mr. Nelsen traveled to TCM's office in Portland, Oregon, arriving a few minutes before 2:00 p.m. Upon arrival, Ms. August, accompanied by another employee, took Mr. Nelsen to a conference room and provided him with copies of the requested employee authorization forms. After reviewing the forms briefly, Mr. Nelsen asked if he could retain the copies to do a more thorough analysis, and Ms. August replied that he could keep the copies. Mr. Nelsen thanked Ms. August and left TCM's office around 2:15 p.m.
- 3.4 Mr. Nelsen's subsequent review found:

- From March-May 2019, TCM withheld at least \$5,694.74 from nearly two dozen of its employees' wages for Local 598 PAC;
- Local 598 PAC reported receiving 75 contributions from TCM employees, typically with 1-5 contributions per person per reporting period;
- Five of the 75 contributions (7%) came from an employee who had signed, but not dated, the dispatch form;
- 45 of the contributions (60%) came from employees who had signed a Version 1 dispatch form previously determined by PDC staff to be non-compliant with RCW 42.17A.495 and WAC 390-17-100;
- 25 of the contributions (33%) came from employees who had signed a Version 2 dispatch form previously determined by PDC staff to be non-compliant with RCW 42.17A.495 and WAC 390-17-100; and
- 5 of the contributions (7%) came from employees who had signed a Version 3 dispatch form, previously determined by PDC staff to be compliant with RCW 42.17A.495 and WAC 390-17-100.

Findings Based on Response Provided by Scott Osborne and Meredith Smith, Jackson Lewis P.C., on Behalf of Temp-Control Mechanical Corp. (Exhibit 2)

3.5 On August 28, 2019, Scott Osborne, Attorney, responded on behalf of TCM-Corp. According to Mr. Osborne and Meredith Smith, TCM is one of the Pacific Northwest's largest mechanical and plumbing systems experts. In areas ranging from pre-construction and engineering to fabrication, the Company supports a wide variety of industries, including healthcare, government, and high-tech facilities. Some of TCM's employees are members of the United Association of Plumbers and Pipefitters Local 598, and some of those employees contribute to the union's PAC through authorized payroll deductions. Although TCM is responsible for ensuring authorization forms are compliant with state law and regulation, the union has prepared several versions of the authorization that TCM has accepted as compliant.

3.6 In March 2019, Local 598 modified its Dispatch Form to address the issues raised by PDC staff in its February 14, 2019 warning letter. TCM stated its new Dispatch/Authorization Form is compliant with RCW 42.17A.495 and WAC 390-17-100 because it advises employees about the non-discrimination provisions and their right to revoke the withholding request at any time. It will be referred to as the version three form. Local 598 has also prepared a separate Annual Authorization to Withhold Funds for Local 598 PAC, that is not a required form. Finally, TCM prepared an Annual Notification Concerning Withholding Funds for Local 598 PAC, which is required by WAC 390-17-110. Mr. Osborne and Ms. Smith stated TCM uses both the Annual Authorization and the Annual Notification forms to ensure its employees receive proper notice and submit written requests for withholding.

3.7 Mr. Osborne and Ms. Smith stated no withholdings are currently being made for any Local 598 member who has not requested the withholding on a compliant form. Mr. Osborne and Ms. Smith did not state when TCM began using fully compliant withholding authorization forms, nor did they confirm that most of the Local 598 PAC contributions withheld during March, April, and May 2019 were withheld based on authorization forms that were not fully compliant with RCW 42.17A.495 and WAC 390-17-100.

#### Alleged Deduction of Excessive PAC Contributions from Employees' Wages

3.8 The complaint included an allegation that TCM may have deducted and sent to Local 598 PAC more than the authorized 0.7 percent of wages for some employees. In support of this allegation, Mr. Nelsen included C-3 reports for March and May 2019, showing contributions attributed to three TCM employees, Donald Williams, Philip Kronberg, and Shawn Schneirla. Mr. Nelsen alleged the total of the three contributions attributed to each of these employees on March 8, 2019, and the total of the two contributions attributed to each of these employees on May 8, 2019 exceed the authorized 0.7 percent payroll deduction for a single monthly contribution to Local 598 PAC, based on the hourly rate appearing on the dispatch/PAC contribution authorization form reviewed by Mr. Nelsen.

3.9 TCM denied withholding and sending to Local 598 PAC more than 0.7% of wages from Donald Williams, Philip Kronberg, or Shawn Schneirla. TCM stated, pursuant to its collective bargaining agreement with Local 598, TCM remits funds to the union on a monthly basis. TCM provided a summary derived from its accounting system showing monthly PAC withholdings for Donald Williams, Philip Kronberg, and Shawn Schneirla for the period November 2018 through June 2019. TCM stated the withholdings for these three employees shown on C-3 reports for March and May 2019 equate to the authorized 0.7 percent of wages.

Following is information provided by Mr. Nelsen concerning the alleged excessive deductions for contributions, and a response to the allegations provided by Mr. Osborne and Ms. Smith on behalf of TCM.

#### Donald Williams

- Local 598 PAC reported receiving three contributions from “Don Williams” on March 8, 2019, totaling \$372.96, and two contributions on May 8, 2019, totaling \$270.28. The dispatch form for “Donald Williams” provided by TCM indicates Mr. Williams’ pay rate is \$54.16 per hour, which at 0.7% would result in a monthly contribution of about \$60, well below the year-to-date 2019 total of \$643.24, as shown on the 5/17/19 C-3 report.
- TCM’s summary from its accounting system showed wages for Mr. Williams for November 2018, December 2018, and January 2019, totaling \$53,279.56. Withholding at the rate of 0.7 percent for these three months totals \$372.96, which equals the total of \$372.56 for the three contributions reported as received on 3/8/19 on a C-3 report filed by Local 598 PAC on 3/11/19. In addition, the accounting summary showed wages for January and February 2019 totaling \$38,611.09. Withholding at 0.7 percent is \$270.28,



which matches the total of the two contributions reported as received from Mr. Williams on 5/8/19, on a C-3 reported filed 5/17/19.

#### Philip Kronberg

- Local 598 PAC reported receiving three contributions from “Philip Victor Kronberg” on March 8, 2019, totaling \$267.40, and two contributions on May 8, 2019, totaling \$166.14. The dispatch form for Mr. Kronberg indicates he is paid \$49.24 per hour or \$7,878.40 per month at straight time, which would result in monthly PAC contributions of about \$55, well below the year-to-date total of \$433.54, as shown on the 5/17/19 C-3 report.
- TCM’s summary from its accounting system showed wages for Mr. Kronberg for November 2018, December 2018, and January 2019, totaling \$38,197.76. Withholding at the rate of 0.7 percent equals \$267.38, and the three contributions attributed to Mr. Kronberg on 3/8/19 total \$267.40. The summary showed wages for January and February 2019 totaling \$23,734.80. Withholding at 0.7 percent is \$166.14, which matches the two contributions attributed to Mr. Kronberg on 5/8/19.

#### Shawn Schneirla

- Local 598 PAC reported receiving three contributions from “Shawn Schneirla” on March 8, 2019, totaling \$309.59, and two contributions on May 8, 2019, totaling \$218.78. The dispatch form for Mr. Schneirla indicates he is paid \$49.24 per hour or \$7,878.40 per month at straight time, which would result in monthly PAC contributions of about \$55, well below the year-to-date total of \$528.37, as shown on the 5/17/19 C-3 report.
- TCM’s summary from its accounting system showed wages for Mr. Schneirla for November 2018, December 2018, and January 2019, totaling \$44,225.48. Withholding at the rate of 0.7 percent equals \$309.58, and the three contributions attributed to Mr. Schneirla on 3/8/19 total \$309.59. The accounting summary showed wages for February and March 2019 totaling \$31,254.54. Withholding at 0.7 percent is \$218.78, which matches the two contributions attributed to Mr. Schneirla on 5/8/19.

3.10 It appears Local 598 PAC is reporting multiple monthly contributions as having been received on the same day, even though TCM states contributions are remitted monthly to Local 598 PAC.

#### TCM Response to the Alleged Right of Employees to Specify a Withholding Amount

3.11 Mr. Osborne and Ms. Smith stated nothing in WAC 390-17-100 requires employees be given the opportunity to customize their withholding request, rather than accepting or rejecting the default 0.7 percent deduction included on the form presented to each union employee. They acknowledged WAC 390-17-100(2)(d) states an authorization form must specify amounts to be withheld when the funds will be directed to multiple candidates or political committees, but asserted there is no requirement for the form to include an option

for employees to specify the withholding amount when funds will be directed to only one candidate or political committee.

#### Annual Authorization to Withhold Funds for Local 598 PAC

3.12 Local 598 has also developed a separate “Annual Authorization to Withhold Funds” form that is provided to and signed by employees making contributions through payroll deductions to Local 598 PAC, even though an annual authorization is not required. The form allows employees to opt in or out on an annual basis of making PAC contributions, and states if notice is not given, the authorization automatically renews for another year. The form references WAC 390-17-110, and cites the non-discrimination provisions of the statute. It then states, everyone who has been dispatched by Local 598 to an employer has language on their dispatch that authorizes the employer to withhold certain percentages from their weekly paycheck as deductions. The form then explains that if an employee signs the dispatch slip without making any notation in the authorization area and initialing the notation, the employer will withhold per the CBA and the signed dispatch form. Although an annual authorization form is not required, it is also not prohibited since the original dispatch/authorization form is an Opt-in authorization concerning PAC contributions, and it stays in effect until canceled, with or without an annual authorization.

#### **Supplement to Complaint Based on TCM’s Response to Complaint**

3.13 On September 5, 2019, Mr. Nelsen submitted a complaint supplement, responding to several issues raised by TCM’s response. Mr. Nelsen restated, the forms provided to the Foundation on July 24, 2019 for inspection consisted primarily of version one and version two dispatch forms the PDC previously determined to be out of compliance with RCW 42.17A.495. Mr. Nelson said TCM produced revised version three forms, previously found by PDC staff to be compliant, for only three employees out of several dozen employees making PAC contributions during March-May 2019, suggesting that most of the approximately \$6,000 withheld by TCM from employees for Local 598 PAC was withheld pursuant to non-compliant version one and version two authorization forms. **(Exhibit 3)**

3.14 Mr. Nelsen noted that TCM’s August 28, 2019 response to the complaint stated, “No withholdings are *currently* being made [by TCM] for any Local 598 member who has not requested the withholding on a compliant [presumably version three] form.” (Emphasis added by Maxford Nelsen.) Mr. Nelsen said TCM’s response leaves unanswered the question of when TCM began requiring and obtaining compliant version three authorization forms before withholding contributions for Local 598 PAC. Mr. Nelsen questioned whether TCM began using compliant authorization forms in March 2019 in response to the PDC’s February 14, 2019 warning letter, on July 26, 2019 in response to the Freedom Foundation’s current complaint, or on August 28, 2019, the date of TCM’s response to the complaint.

#### **TCM-Corp’s Response to Staff Questions**

3.15 On October 20, 2020, Scott Osborne, TCM’s attorney, responded to staff questions. (Exhibit 4) He said the intent of TCM’s August 28, 2019 letter was to state, as of August 28,

2019, no withholdings were being made by TCM for any Local 598 member who had not requested the withholding on a compliant authorization form. Mr. Osborne said, by way of background, in March 2019 when the issue was initially addressed, TCM began using compliant authorization forms for its new hires. Mr. Osborne said it appears the Company's Controller, who left the organization in April 2019, did not have all other employees sign compliant authorization forms at that time and did not pass off any action item regarding the issue to his successor. Mr. Osborne said TCM realized many tenured employees had not signed compliant authorization forms after receiving the July 2019 communication, so the issue was addressed in advance of Mr. Osborne's August 28, 2019 letter. According to Mr. Osborne, as of August 28, 2019, and thereafter, TCM has maintained compliant authorization forms signed by all employees from whom funds are being withheld for contributions to Local 598 PAC. He said it is also worth noting that another set of compliant authorization forms were obtained between January 13, 2020 and February 5, 2020.

3.16 Staff asked TCM-Corp. why, when the Freedom Foundation reviewed authorization forms on July 24, 2019, there were only five of 75 authorization forms were the compliant "version three" forms. Mr. Osborne stated, as previously mentioned, compliant authorization forms began to be used for new hires in March 2019. He said five employees were hired after that point and signed "version three" forms. He said TCM's former Controller did not obtain "version three" forms from legacy employees at that time and did not notify his successor about a remaining action item with respect to the forms. Therefore, compliant authorization forms were collected after the Company realized the issue. He said all compliant forms were collected by August 28, 2019.

3.17 With respect to Annual Notifications required by WAC 390-18-110, Mr. Osborne stated that for 2019, employees from whom funds were withheld for contributions to Local 598 PAC, were provided the Annual Notification by August 28, 2019, after the required June 30, 2019 due date. Mr. Osborne said, for 2020 employees from whom funds were withheld for contributions, the Annual Notifications were sent between January 13, 2020 and February 5, 2020. He said copies of both the Annual Notifications and the Authorization Forms are being retained by TCM for at least five years.

### **Initial Hearing (Case Status Review)**

3.18 On October 24, 2019, PDC staff held an Initial Hearing (Case Status Review) for Temp-Control Mechanical Corp., Case 55700, and opened a formal investigation.

### **III. SCOPE**

4.1 PDC staff reviewed the complaint, the response to the complaint, and a complaint supplement filed after the response was received. In addition, staff reviewed two previous complaints of a similar nature, dismissed by staff, one with a formal written warning, and one for a lack of evidence concerning the activities of the Respondent.

### **IV. LAW**

**RCW 42.17A.495, WAC 390-17-100 and WAC 390-17-110** state, No employer may withhold wages or salaries for contributions to political committees or for use as political contributions

except upon the written request of the employee. The written request must be on a form prescribed by the commission informing the employee of the prohibition against employer and labor organization discrimination stating, "No employer or labor organization may discriminate against an officer or employee in the terms or conditions of employment for (a) the failure to contribute to, (b) the failure in any way to support or oppose, or (c) in any way supporting or opposing a candidate, ballot proposition, political party, or political committee."

The employee may revoke the request at any time, and at least annually, by June 30 of each year, employees from whom funds are being withheld for contributions to a candidate or political committee shall be notified, in writing, of the nondiscriminatory provisions, and of each employee's right to revoke the authorization at any time.

In addition, employers and other persons who withhold or divert wages or salaries must: (1) maintain the completed forms for as long as the withholding or diversion continues; (2) keep the forms and other documents open for public inspection for three years after the last disbursement of wages or salaries; and (3) maintain a copy of the annual notification and a listing of employees notified for a period of no less than five years.

Respectfully submitted this 21<sup>st</sup> day of December 2020.

*Electronically Signed Philip E. Stutzman*

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Philip E. Stutzman  
Compliance Officer

#### **EXHIBIT LIST**

- Exhibit 1**      Complaint filed July 26, 2019
- Exhibit 2**      Response to Complaint Dated August 28, 2019
- Exhibit 3**      Complaint Supplement Dated September 4, 2019
- Exhibit 4**      Response to Staff Questions Dated October 20, 2020

July 26, 2019

Public Disclosure Commission  
711 Capitol Way S. #206  
P.O. Box 40908  
Olympia, WA 98504

Public Disclosure Commission Staff,

Unfortunately, I write for the second time in less than a year to bring to your attention continued illegal political deductions from the wages of certain employees of Temp-Control Mechanical Corp. (“TCM”)<sup>1</sup> represented by the United Association of Plumbers and Pipefitters Local 598 (“UA 598”).

In short, TCM is violating RCW 42.17A.495 and WAC 390-17-100 by deducting political contributions from employees’ wages for the political action committee (“PAC”) operated by UA 598 without first receiving proper authorization. Also, in at least some cases, TCM appears to be withholding more for PAC contributions than the legally-invalid authorization forms specify.

Even though the Public Disclosure Commission (“PDC”) issued a warning letter to TCM on February 14, 2019, informing the firm that none of the existing employee authorizations were valid, TCM continues to divert employee wages to the PAC without legal authorization.

From March-May 2019, TCM withheld at least \$5,694.74 from nearly two dozen of its employees’ wages for UA 598’s PAC. All of these deductions were made in violation of RCW 42.17A.495(3) and WAC 390-17-100.

The terms of the authorization forms TCM has for the bulk of its employees have already been recognized by the PDC as out of compliance with RCW 42.17A.495. Additionally, one employee’s form was signed, but not dated. Only three employees have provided TCM with an authorization form that has not already been recognized by the PDC as non-compliant. Nonetheless, even this authorization form violates WAC 390-17-100 by impermissibly restricting employees’ ability to choose how much to contribute to the PAC. Lastly, while all versions of the authorization form specify a PAC contribution rate of 0.7% of employee wages, TCM appears to have collected vastly more than this amount from the wages of at least some employees.

<sup>1</sup> Respondent’s contact information: Temp-Control Mechanical Corp.; P.O. Box 11065, Portland, OR, 97211; info@tcmcorp.com; (503) 285-9851. Michelle August, division controller; Michelle.August@TCMcorp.com; (503) 285-9851.

## **Background**

### **1. The First Complaint**

UA 598 maintains and operates a political committee, as defined by RCW 42.17A.005(40), called the Plumbers & Steamfitters Local 598 PAC. *See Appendix page 2*, the PAC's most recent form C1PC. The PAC is funded by contributions taken via payroll deduction from the wages of UA 598 members. Since 2014, over \$1.6 million has been withheld from employees' wages and contributed to the PAC.

<b>UA 598 PAC Contributions</b>	
<b>Year</b>	<b>Amount</b>
2014	\$235,749.56
2015	\$291,591.92
2016	\$296,377.64
2017	\$263,422.60
2018	\$281,129.98
2019	\$269,951.50
<b>Total</b>	<b>\$1,638,223.20</b>

Although it is not the employer, UA 598 develops the terms of “dispatch forms” that employers, including TCM, use. The employees UA 598 represents must sign these “dispatch forms” before being assigned to work a particular job for a particular contractor.<sup>2</sup> The dispatch forms include authorization for the employer to deduct both union dues and PAC contributions.

UA 598 has utilized at least four versions of its dispatch forms during the five-year statute of limitations established by RCW 42.17A.770.

The terms of the **first version** of the dispatch form in use prior to October 2018 provided:

“I authorize the Employer to withhold and to pay working dues on my behalf at the current rate of 3%, IAP at 2.25%, and PAC at 0.7% of my gross pay to Local Union 598. This authorization shall be valid for the period of one year or the balance of the term of the current agreement, whichever is sooner, and shall automatically renew itself for successive one-year periods. This authorization is subject to cancellation by written notice to the Employer and Local 598 given within the 60-day period preceding an automatic renewal date.”

From October 2018 through March 2019, UA 598 used a **second version** of its dispatch form

<sup>2</sup> The Public Disclosure Commission's notice of resolution in Case No. 43704 found that, “[t]he withholding authorization accepted by the employer/contractors was developed by the union (United Association of Plumbers and Pipefitters Local 598), even though the employer/contractors have been and continue to be responsible when there are deficiencies in the authorization...” *See App. 3-9*, the PDC's combined case closure letter.

that provided:

“I authorize the Employer to withhold and to pay working dues on my behalf at the current rate of 3% and IAP at 2.25% of gross pay to Local Union 598. So that the common interests of Local 598 members to secure jobs, fair wages, and safe working conditions can be heard by state and federal candidates for office, I voluntarily authorize and direct the above-named employer and any signatory to the Collective Bargaining Agreement for whom I work to deduct the suggested 0.70% (0.0070) as ratified by the Local 598 Membership, each week from my pay for transfer to the Local 598 Political Action Committee, where funds will be used for federal or state races as deemed necessary by PAC leadership. I understand that I have a right to refuse to so contribute without any reprisal. Furthermore, I recognize that the contribution guideline is just that, and that I may contribute any amount or not at all to the Political Action Committee – although only the suggested amount is supported by the paycheck deduction process. Contributing an alternative amount will require contacting the Local’s staff. Furthermore, I understand that to comply with the Federal law, the PAC must use its best efforts to obtain, maintain, and submit the name, mailing address, occupation and name of employer of individuals whose contributions exceed \$200 per calendar year. I understand that my contribution is not tax-deductible. This authorization shall be valid for the period of one year or the balance of the term of the current agreement, whichever is sooner, and shall automatically renew itself for successive one-year periods. This authorization is subject to cancellation by written notice to the Employer and Local 598 given within the 60-day period preceding an automatic renewal date.”

Around March 2019, UA 598 developed a **third version** of its dispatch form providing:

“So that the common interest of Local 598 members to secure jobs, fair wages, and safe working conditions can be heard by state and federal candidates for office, I voluntarily authorize and direct the above-named employer and any signatory to the Collective Bargaining Agreement for whom I work to deduct the suggested 0.70% (0.0070) as ratified by the Local 598 Membership, each week from my pay for transfer to the Local 598 Political Action Committee, where funds will be used for federal and state races as deemed necessary by PAC leadership. I understand that I have a right to refuse to so contribute without reprisal. Furthermore, I recognize that the contribution guideline is just that, and that I may contribute any amount or not at all to the Political Action Committee – although only the suggested amount is supported by the paycheck deduction process. Contributing an alternative amount will require contacting the Local’s staff. Note: No employer or labor organization may discriminate against an officer or employee in the terms or conditions of employment for (i) the failure to contribute to, (ii) the failure in any way to support or oppose, or (iii) in any way supporting or opposing a candidate, ballot proposition, political party, or political committee. Furthermore, I understand that to comply with the Federal law, the PAC must use its best efforts to obtain, maintain, and submit the name, mailing address, occupation and name of employer of individuals whose contributions exceed \$200 per calendar year. I understand that my contribution is not tax-deductible. I understand that I may revoke my authorization at any time in writing.”

On November 19, 2018, the Freedom Foundation filed a complaint with the PDC against UA 598, its PAC and the 35 employers that had deducted PAC contributions from the wages of UA 598-represented employees in October 2018, including TCM. The PDC assigned a unique case number to each of the 37 respondents.<sup>3</sup>

The complaint alleged, among other things, that the first and second versions of UA 598's dispatch forms in use at the time did not comply with RCW 42.17A.495(3), which provides:

"No employer or other person or entity responsible for the disbursement of funds in payment of wages or salaries may withhold or divert a portion of an employee's wages or salaries for contributions to political committees or for use as political contributions except upon the written request of the employee. The request must be made on a form prescribed by the commission informing the employee of the prohibition against employer and labor organization discrimination described in subsection (2) of this section. The employee may revoke the request at any time. At least annually, the employee shall be notified about the right to revoke the request."

Similarly, the complaint alleged the forms were out of compliance with WAC 390-17-100, which states:

"(1) Each employer or other person who withholds or otherwise diverts a portion of wages or salary of a Washington resident or a nonresident whose primary place of work is in the state of Washington shall have on file the individual's written authorization before withholding or diverting the individual's wages or salary for:

- (a) The purpose of making one or more contributions to any political committee required to report pursuant to RCW 42.17A.205, 42.17A.215, 42.17A.225, 42.17A.235 or 42.17A.240; or
- (b) Use, specifically designated by the contributing employee, for political contributions to candidates for state or local office.

(2) Forms used for payroll deduction may either conform to the suggested format below or be in a different format including an electronic format if it provides the following information:

- (a) The name of the individual authorizing the withholding or diversion;
- (b) The name of the individual's employer;
- (c) The name of each political committee or candidate for which contributions are to be withheld;
- (d) If more than one political committee or candidate is specified, the total dollar amount per pay period (or per week, month or year) to be withheld for each committee or candidate;
- (e) A statement specifying that the authorization may be revoked at any time and such revocation shall be in writing;
- (f) A statement that reads: 'No employer or labor organization may discriminate against an officer or employee in the terms or conditions of employment for (i) the failure to

<sup>3</sup> PDC case numbers: 43672, 43673, 43675, 43676, 43677, 43678, 43679, 43680, 43681, 43682, 43683, 43684, 43685, 43686, 43687, 43688, 43689, 43690, 43691, 43692, 43693, 43694, 43695, 43696, 43697, 43698, 43699, 43700, 43701, 43702, 43703, **43704 (TCM)**, 43705, 43706, 43707, 43708, and 43709.



contribute to, (ii) the failure in any way to support or oppose, or (iii) in any way supporting or opposing a candidate, ballot proposition, political party, or political committee'; or a statement that informs the employee of the prohibition against employer and labor organization discrimination described in RCW 42.17A.495;  
(g) The individual's signature or other reliable and secure verification that the individual is authorizing the withholding or diversion; and  
(h) The date on which the form was completed."

In its notice of resolution issued February 14, 2019, the PDC found that, "the current authorization form being accepted by the 35 employer/contractors [first version above] does not conform to the requirements in RCW 42.17A.495 and WAC 390-17-100."

In a warning letter, the PDC,

"...reminded the employer/contractor respondents that they need to understand and comply with their responsibility to: (1) receive a proper authorization before withholding wages or salaries for a PAC contribution..." (Emphasis added)

Finally, the warning letter concluded that,

"...the current revised authorization [second version above] that includes a statement that the authorization is subject to cancellation by written notice to the Employer and Local 598 given within the 60-day period preceding an automatic renewal date is not acceptable, and [] the 'Political Contribution Withholding Authorization' form must inform the employee that their request may be revoked at any time." (Emphasis added)

*See App. 3-9.*

## **2. The Second Complaint**

Nonetheless, in January 2019, the PAC reported receiving \$39,916.45 from about 600 individuals. In February, the next month, the PAC received \$39,571.99 in contributions from about 650 individuals. In March, the first full month after the PDC issued its warning letter, the PAC reported receiving \$49,593.69 in contributions from about 730 individuals. And in April 2019, UA 598's PAC disclosed receiving \$43,098.41 in contributions from about 780 individuals. *See App. 10-411*, the PAC's forms C3 filed in 2019.

In other words, the PDC's invalidation of UA 598's PAC deduction authorization forms had no discernable effect on the PAC's contribution rate, which is curious to say the least.

Accordingly, the Freedom Foundation requested that UA 598 provide it an opportunity to inspect the "deduction authorization/'dispatch form' for every person listed on the form C3 filed by UA 598's political committee on April 5, 2019 with the Public Disclosure Commission," in accordance with RCW 42.17A.495(4). The Foundation was permitted to inspect records at the union's headquarters in Pasco on May 8, 2019.

The Freedom Foundation's inspection revealed the union possessed only 13 signed, version three dispatch forms that hadn't already been invalidated by the PDC yet continued to receive contributions to its PAC from hundreds of employees on the basis of invalid authorizations.

Consequently, in a second complaint filed with the PDC on May 21, 2019, the Freedom Foundation alleged that 19 employers had violated RCW 42.17A.495 and WAC 390-17-100 by deducting contributions to UA 598's PAC from employees' wages without proper authorization. The PDC assigned a unique case number to 18 of the 19 respondents.<sup>4</sup>

On June 3, 2019, the PDC purported to dismiss the cases under RCW 42.17A.755(1). In a combined case closure letter, the PDC noted:

- "The PDC's action was taken because Freedom Foundation did not submit evidence of violations based on direct contact with individual employers/contractors."
- "The responsibility to use proper authorization forms and maintain the required records for public inspection is not a responsibility of the union or its political committee, and these responsibilities cannot be delegated to the union or political committee on behalf of the employers/contractors... [E]mployers/contractors remain responsible for direct compliance with the law and rules even if the union or its political committee provides records to a requester."
- "PDC staff recommends you consult with your legal counsel to ensure you are fully compliant with RCW 42.17A.495, WAC 390-17-100, and WAC 390-17-110. The PDC's action does not preclude Freedom Foundation from contacting individual employers/contractors and refiling a complaint based on evidence obtained from individual employers/contractors."

See **App. 412-417**, the PDC's dismissal letter.

### **3. The Present Complaint**

On June 6, 2019, the Freedom Foundation sent a letter to TCM via email and USPS certified mail requesting an opportunity to inspect, in accordance with RCW 42.17A.495(4), the PAC deduction authorization forms of those TCM employees listed as contributors to UA 598's PAC in March, April and/or May 2019 on the PAC's C3 forms. The letter requested to be provided such an opportunity on or prior to June 28, 2019. See **App. 418-420**, the Freedom Foundation's letter to TCM.

On July 8, 2019, having received no response from TCM, I re-sent the letter to TCM via email with the following message:

"Per the email below, I originally sent the attached letter to TCM via email and postal mail on June 6 requesting to inspect certain records in accordance with RCW 42.17A.495. Having received no response as of the June 28 deadline, I am resending the

<sup>4</sup> PDC case numbers: 51802, 51803, 51804, 51805, 51806, 51807, 51808, 51809, 51810, 51811, 51812, 51813, 51814, 51815, 51816, 51817, 51818, and 51819. No case number was assigned regarding the allegations against Critical Path Resources.

attached letter as a courtesy before bringing the matter to the attention of the Washington Public Disclosure Commission.”

On July 11, 2019, I received an email reply from Michelle August, division controller, stating,

“I apologize for the delay in responding to your request. Please email me potential dates you are available to visit our office to inspect the authorization forms for the employees included in your letter.”

I replied to Ms. August the same day to inform her I was available to inspect the forms at any point through July 26, 2019 except for the 22nd and the 26th and would like to inspect them at the “earliest opportunity.”

On July 12, 2019, Ms. August replied that I could inspect the forms on July 24th at 2:00 p.m. I confirmed the appointment on July 15th. *See App. 421-424*, my email correspondence with TCM and Ms. August.

Accordingly, on July 24th — 48 days after first requesting to inspect the records — I drove from the Freedom Foundation’s Olympia office to TCM’s office in Portland, Oregon, arriving a few minutes prior to 2:00 p.m.

After my arrival, Ms. August, accompanied by another employee, took me to a conference room and provided me with copies of the requested employee authorization forms. I reviewed them briefly and asked if I could retain the copies to do a more thorough analysis at my office. Ms. August replied that I could keep the copies. I thanked her and left the office around 2:15 p.m. to return to Olympia.

My subsequent review of the dispatch forms provided by TCM determined:

- From March-May 2019, TCM withheld at least \$5,694.74 from its employees’ wages for UA 598’s PAC.
- UA 598’s PAC reported receiving 75 contributions from TCM employees. Typically, 1-5 contributions per person were recorded during this period.
- Five of the 75 contributions (7%) came from an employee who had signed, but not dated, his dispatch form.
- 45 of the contributions (60%) came from employees for whom TCM produced a **version one** dispatch form that the PDC has already concluded to be invalid.
- 25 of the contributions (33%) came from employees for whom TCM produced a **version two** dispatch form that the PDC has already concluded to be invalid.
- 5 of the contributions (7%) came from employees for whom TCM produced a **version three** dispatch form.

*See App. 425-448*, a summary and copies of the dispatch forms provided by TCM.

## **Allegations**

### **1. Deduction of PAC contributions from employees' wages without legal authorization.**

Despite receiving a warning letter from the PDC on February 14, 2019 regarding its “failure to fully comply with the requirements of RCW 42.17 A.495, WAC 390-17-100, and WAC 390-17-110,” TCM has continued to deduct political contributions to UA 598’s PAC from its employees’ wages without first obtaining signed authorizations that comply with RCW 42.17A.495(3) and WAC 390-17-100. The **version one** and **version two** dispatch forms, predominant in TCM’s records, have already been recognized by the PDC as out of compliance with RCW 42.17A.495.

### **2. The version three dispatch forms generated by UA 598 and utilized by TCM do not permit employees to choose the amount of their contribution(s).**

UA 598’s **version three** dispatch forms in use by TCM also violate WAC 390-17-100 by failing to permit the employee to designate the amount of the contribution to be withheld from their wages. Instead, the dispatch forms require employees to agree to have 0.7 percent of their wages deducted for PAC contributions. However, the template form set forth in WAC 390-17-100 permits the employee to designate the specific dollar amount they wish to contribute.

WAC 390-17-100(2)(d) further indicates that PAC deduction authorizations must allow the employee to designate the dollar amount of the contribution by clarifying that, if the form authorizes contributions to multiple candidates or political committees, the form must specify “the total dollar amount per pay period (or per week, month or year) to be withheld for each...” (Emphasis added)

### **3. Deducting excessive PAC contributions from employees' wages.**

All of the dispatch form versions generated by UA 598 and utilized by TCM purport to authorize the employer to withhold 0.7% of the employee’s wages as contributions to the PAC. However, it appears that TCM deducts far more than this amount on behalf of the PAC, at least in some cases.

For instance, the PAC reported receiving three contributions from “Don Williams” on March 8, 2019 totaling \$372.96. The PAC reported receiving two contributions from “Don Williams” on May 8, 2019 totaling \$270.28.

The dispatch form for “Donald Williams” provided by TCM indicates Mr. Williams’ pay rate is \$54.16 per hour. *See App. 427.* Assuming Mr. Williams works 40 hours per week for four weeks each month, his monthly pay is approximately \$8,665.60. His PAC contributions for the month, if deducted at the specified rate of 0.7%, should therefore be only about \$60.

Mr. Williams would have to be paid \$53,280 *per month* in order to justify monthly PAC contributions of \$372.96, if the contributions were deducted at the correct rate of 0.7%. Even if Mr. Williams worked 80 hours per week — 40 hours at straight time and 40 hours at overtime —

his monthly pay would only be \$21,664.

And Mr. Williams is not an isolated case.

Reportedly, the PAC received three contributions from Philip Viktor Kronberg on March 8, totaling \$267.40, and two contributions, totaling \$166.14, on May 8, 2019. Mr. Kronberg's dispatch form, however, indicates he is paid only \$49.24 per hour/\$7,878.40 per month at straight time. *See App. 438.* At 0.7% of wages, his PAC monthly contributions should total only about \$55.

Similarly, the PAC reported receiving three contributions from Shawn Schneirla on March 8, totaling \$309.59, and two contributions, totaling \$218.78, on May 8. Mr. Schneirla's dispatch form indicates his pay rate is \$49.24 per hour/\$7,878.40 per month at straight time. *See App. 441.* At 0.7% of wages, his PAC monthly contributions should total only about \$55.

Additional, similar examples exist and have no obvious explanation.

Either TCM is deducting more than 0.7% of wages for PAC contributions from at least some employees' wages or UA 598's PAC is not accurately reporting receipt of at least some contributions. Each of these possibilities constitutes an "actual violation" of the FCPA, as set forth in greater detail below.

### **Enforcement Options**

RCW 42.17A.755(1) provides that, when presented with a citizen complaint, the PDC "must" either: (1) dismiss it or otherwise resolve it as a remedial or technical violation; (2) initiate an investigation, conduct hearings and take enforcement action; or, (3) refer the complaint to the attorney general.

#### **1. The PDC should not dismiss the complaint as the allegations are not "obviously unfounded or frivolous."**

WAC 390-37-005(2)(a) and WAC 390-37-060 provide the PDC may dismiss a complaint if it is "obviously unfounded or frivolous, or outside of the PDC's jurisdiction."

There can be no disputing the PDC's jurisdiction over the present complaint against TCM, as a matter of law. The PDC has already concluded that most of the deductions processed by TCM were made without legal authorization and in violation of RCW 42.17A.495. The complaint is not "obviously unfounded or frivolous."

#### **2. The allegations against TCM involve "actual violations," not "remedial violations" or "requests for technical correction."**

RCW 42.17A.005(2) defines an "actual violation" as one "that is not a remedial violation or technical correction." Thus, violations are considered "actual violations" by default unless they meet the criteria to be considered lesser "remedial" or "technical" violations. Since TCM's

deduction of PAC contributions from its employees' wages without legal authorization involves neither "remedial violations" nor "technical corrections," it involves, by definition, "actual violations."

**a. TCM's violations were not "remedial."**

As defined by RCW 42.17A.005(45), a "remedial violation" is one that meets *all* the following criteria:

- "(a) Involved expenditures totaling no more than the contribution limits set out under RCW 42.17A.405(2) per election, or one thousand dollars if there is no statutory limit;
- (b) Occurred:
  - (i) More than thirty days before an election, where the commission entered into an agreement to resolve the matter; or
  - (ii) At any time where the violation did not constitute a material violation because it was inadvertent and minor or otherwise has been cured and, after consideration of all the circumstances, further proceedings would not serve the purposes of this chapter;
- (c) Does not materially affect the public interest, beyond the harm to the policy of this chapter inherent in any violation; and
- (d) Involved:
  - (i) A person who:
    - (A) Took corrective action within five business days after the commission first notified the person of noncompliance, or where the commission did not provide notice and filed a required report within twenty-one days after the report was due to be filed; and
    - (B) Substantially met the filing deadline for all other required reports within the immediately preceding twelve-month period; or
  - (ii) A candidate who:
    - (A) Lost the election in question; and
    - (B) Did not receive contributions over one hundred times the contribution limit in aggregate per election during the campaign in question."

TCM's violations did not involve making or disclosing political expenditures, so prong (a) above is inapplicable.

TCM's ongoing deduction of political contributions from employees' wages without legal authorization has occurred for several years, including during periods within 30 days of an election. Further, TCM's actions directly contradict an FCPA statute. They result from TCM's standard practice and procedure. They are not "inadvertent" and, far from being "cured," have continued unabated despite multiple warnings from the PDC. Prong (b) is not satisfied.

The illegal deduction of \$5,694.74 from employees' wages by TCM in March-May 2019 alone not only harms the affected employees, but also materially harms the

public by allowing UA 598's PAC to influence Washington elections using illegally-seized funds. Thus, prong (c) is not satisfied.

Lastly, TCM has not ceased the illegal deductions despite receiving a formal warning from the PDC in 2019 about complying with RCW 42.17A.495, so prong (d)(i) is not satisfied. And because TCM is not a candidate, prong (d)(ii) is inapplicable.

In short, TCM's violations meet none of the criteria necessary to be considered "remedial."

**b. TCM's violations did not involve "requests for technical corrections."**

RCW 42.17A.005(51) defines "technical correction" as:

"...a minor or ministerial error in a required report that does not materially impact the public interest and needs to be corrected for the report to be in full compliance with the requirements of this chapter."

TCM's violations do not fall under this definition, because the statute at issue, RCW 42.17A.495, does not pertain to disclosure of contributions or expenditures or require that TCM file any reports with the PDC. Consequently, the definition of "technical correction" simply does not include TCM's violations of the employee-authorization provisions of that statute.

**3. The PDC cannot resolve the present complaint against TCM with another written warning as involving "minor violations."**

WAC 390-37-060(1)(d) purports to authorize the PDC to "resolve any complaint that alleges minor violations of chapter 42.17A by issuing a formal written warning."

WAC 390-37-061 provides:

"(2) A minor violation is an actual violation that occurs:  
(a) When required information is not timely disclosed, but the public is not deprived of critical information; or  
(b) When incomplete information is disclosed, but a good faith effort to comply with disclosure is made, and the public is not deprived of critical information.  
(c) When any other violation of chapter 42.17A RCW has occurred that does not materially affect the public interest."

**a. WAC 390-37-060(1)(d) and WAC 390-37-061 conflict with and are preempted by RCW 42.17A.755 and RCW 42.17A.001(1).**

While the PDC has been granted authority to engage in rulemaking, any rules it adopts must "carry out the policies and purposes" of the FCPA,<sup>5</sup> and otherwise be

<sup>5</sup> RCW 42.17A.110(1).

consistent with its textual commands.

As such, regulations governing “minor violations” may arguably have been valid at the time they were first adopted by the PDC in 2016, but passage of HB 2938 in 2018 rendered them a dead letter, as violative of the new statute.

Specifically, RCW 42.17A.755(1) now requires the PDC to take one of several actions after a complaint has been submitted. It “must” either: (1) dismiss the complaint; (2) resolve it as a remedial violation or request for technical correction; (3) initiate an investigation, conduct hearings and issue an enforce an appropriate order; or (4) refer the complaint to the Attorney General.

Neither RCW 42.17A.755 nor any other statute permits the PDC to designate some “actual violations” as merely “minor” and resolve them with a warning letter.

Accordingly, WAC 390-37-060(1)(d) and WAC 390-37-061 conflict with RCW 42.17A.755, do not “carry out the policies and purposes” of the FCPA established by RCW 42.17A.001(1), and are of no legal effect.

**b. TCM’s violations were not “minor” for the purposes of WAC 390-37-061.**

Even if the enforcement process for “minor violations” established by WAC 390-37-061 was valid and statutorily authorized, TCM’s violations still would not qualify as “minor” for purposes of the regulation.

WAC 390-37-061(2)(a) and (2)(b) apply to the disclosure of required information to the PDC and are inapplicable to violations of RCW 42.17A.495, much like the definition of “technical corrections.”

Further, the illegal deduction of \$5,694.74 from employees’ wages by TCM in March-May 2019 alone harms the affected employees and materially harms the public by allowing UA 598’s PAC to influence Washington elections using illegally-seized funds, so WAC 390-37-061(2)(c) is not satisfied.

**Conclusion**

TCM continues to deduct contributions from nearly two dozen of its employees on the basis of legally invalid authorizations, even after being warned that the authorizations are invalid. In the space of merely three months, TCM has illegally deducted at least \$5,694.74 from its employees for political activity the employees may not support. Notably, the PDC’s warning letter explicitly stated that “[t]he Commission will consider this formal warning in deciding on further Commission action if there are future violations of PDC laws or rules.” *See App. 3.*

This situation is somewhat unique in that the violations of the FCPA committed by TCM may largely result from the actions of UA 598. Nonetheless, as the PDC has already observed, TCM may not pass off its legal responsibility to comply with the FCPA to UA 598, and the law



provides the employer must be held accountable for FCPA violations resulting from the union's behavior and policies.

Further, the contributions to the PAC illegally deducted from employees' wages have allowed UA 598 to significantly influence, through political contributions and expenditures, dozens of elections around the state.<sup>6</sup> The extent of UA 598's undue influence on these elections is difficult to neatly quantify, but the sheer number of elections and the amount of money involved make the issue one of substantial public concern.

Indeed, influencing Washington elections with money illegally collected from employees' wages is a far more fundamental violation of the FCPA than more commonplace failures to properly disclose contributions and expenditures.

Given that these are "actual violations," as defined by RCW 42.17A.005(2), and have continued to occur even after formal warnings from the PDC, we respectfully request that the PDC resolve this complaint through an investigation and enforcement action pursuant to RCW 42.17A.755(1)(b) or, alternatively, that it refer the matter to the Attorney General pursuant to RCW 42.17A.755(1)(c).

It is imperative that state authorities act decisively to put a stop to the ongoing illegal deductions from employees' wages to deter such behavior in the future. Please do not hesitate to contact me if the Freedom Foundation can be of any further assistance in this matter.

Sincerely,



Maxford Nelsen  
Director of Labor Policy  
Freedom Foundation  
P.O. Box 552, Olympia, WA 98507  
(360) 956-3482  
mnelsen@freedomfoundation.com

<sup>6</sup> PDC records indicate the PAC contributed to at least 12 candidates and two other PACs in 2018 alone. *See* [https://www.pdc.wa.gov/reports/expenditures\\_download?filer\\_id=PLUMSF%20301&election\\_year=2018](https://www.pdc.wa.gov/reports/expenditures_download?filer_id=PLUMSF%20301&election_year=2018)

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BOSTON, MA	KANSAS CITY REGION	ORLANDO, FL	SAN JUAN, PR
CHICAGO, IL	LAS VEGAS, NV	PHILADELPHIA, PA	SEATTLE, WA
CINCINNATI, OH	LONG ISLAND, NY	PHOENIX, AZ	SILICON VALLEY, CA
CLEVELAND, OH	LOS ANGELES, CA	PITTSBURGH, PA	ST. LOUIS, MO
DALLAS, TX	MADISON, WI	PORTLAND, OR	TAMPA, FL
DAYTON, OH	MEMPHIS, TN	PORTSMOUTH, NH	WASHINGTON DC REGION
DENVER, CO	MIAMI, FL	PROVIDENCE, RI	WHITE PLAINS, NY
DETROIT, MI	MILWAUKEE, WI		

MY DIRECT DIAL IS: (503) 229-0404

MY EMAIL ADDRESS IS: SCOTT.OBORNE@JACKSONLEWIS.COM

August 28, 2019

**VIA EMAIL**

Public Disclosure Commission  
711 Capitol Way Rm. 206  
P.O. Box 40908  
Olympia, Washington 98504-0908  
[pdcc@pdcc.wa.gov](mailto:pdcc@pdcc.wa.gov)

Re: PDC Case Number 55700

Dear Public Disclosure Commission Staff:

We are writing in response to the July 26, 2019 complaint brought by the Freedom Foundation ("Foundation") alleging that Temp-Control Mechanical Corp. ("TCM" or "the Company") is violating RCW 42.17A.495 and WAC 390-17-100. TCM disputes the Foundation's allegations and responds as follows.

**INTRODUCTION**

The Foundation's current allegations are contained on pages eight and nine of its July 26 Complaint. Specifically, the Foundation claims: (1) the current version of the Labor 598 Dispatch Form does not comply with RCW 42.17A.495 and WAC 390-17-100 because employees are not provided an option to designate some contribution different than 0.7 percent; (2) TCM is failing to secure compliant withholding requests from its employees; and (3) TCM has withheld more than the requested 0.7 percent from certain workers.

As discussed below, TCM is obtaining fully compliant wage withholding requests from its workers who are having a portion of their wages contributed to the Local 598 Political Action Committee ("PAC"). Contrary to the Foundation's claim, there is no obligation for employees to be given an option to select a withholding amount. The only remotely similar requirement is set forth at WAC 390-17-100(2)(d), wherein specific allocations must be provided when contributions are made to multiple political committees or candidates. The mere fact that an

optional notice provided at the bottom of WAC 390-17-100 allows employees to write in a specific withholding amount is immaterial.

With respect to the alleged over withholding, TCM has reviewed its payroll records and has confirmed that all subject withholdings have been made at the requested 0.7 percent amount. Relevant spreadsheets from TCM's payroll system memorializing the 0.7 percent withholding are attached for the Commission's review. Any compliance questions involving how the PAC's C-3 forms have been completed is an issue better directed to those who complete the forms.

### RELEVANT BACKGROUND

TCM is one of the Pacific Northwest's largest mechanical and plumbing systems experts. In areas ranging from pre-construction and engineering to fabrication, the Company supports a wide variety of industries, including healthcare, government, and high-tech facilities.

Some of TCM's employees are members of the United Association of Plumbers and Pipefitters Local 598 ("Local 598"). As noted by the Foundation, the PAC is funded at least in part by authorized payroll withholdings from Local 598 members, including certain TCM employees. Although TCM as an employer is responsible for complying with RCW 42.17A.495 and WAC 390-17-100 by obtaining compliant request forms, the union has prepared several versions of the authorizations that TCM understands are being used by signatory contractors. As the Commission has previously noted, outdated versions of the authorization form did not appear to comply with legal requirements, as employees were not advised about specific non-discrimination provisions, or their ability to discontinue the withholdings at any time.

By March 2019, Local 598 modified its Dispatch Form to address the issues raised by the Commission. Attached as **Exhibit A** is an example of the post-March Dispatch Form. As an additional measure, Local 598 prepared a template Annual Authorization to Withhold Funds for 598 PAC, a copy of which is attached as **Exhibit B**. Both documents fully comply with RCW 42.17A.495 and WAC 390-17-100, in that the forms advise employees about the non-discrimination provisions and their right to revoke the withholding request at any time. TCM obtains only compliant withholding requests from its employees. Additionally, no withholdings are currently being made for any Local 598 member who has not requested the withholding on a compliant form.

Similar to most unionized employers, TCM is obligated by its collective bargaining agreement to direct a portion of its member-employee's earnings to the union on a monthly basis to cover union dues, various benefits and industry funds. As reflected on the spreadsheet attached as **Exhibit C**, those sums are either hourly amounts (e.g., \$12.40 hourly for health and welfare) or a percentage of earnings (e.g., 3% for union dues). Similarly, Exhibit C reflects the employees' requested 0.7 percent contribution to the PAC.

In its Complaint, the Foundation identified three employees it believed had been subjected to PAC withholdings in excess of the requested 0.7 percent level. Attached as **Exhibit D** is a summary of PAC withholdings for those employees from November 2018 through June 2019. Each month, the proper 0.7 percent withholding was taken and directed to Local 598 for



distribution to the PAC. Attached as **Exhibit E** is a full breakdown of how those employees' wages were allocated to the various categories, including the PAC, for November 2018. Those contributions were consistent with the schedule set forth on Exhibit C.

## **RESPONSE TO SPECIFIC ALLEGATIONS**

### **A. TCM Complies with all Withholding Authorization Requirements**

Under WAC 390-17-100(2), payroll deduction forms can either conform to a suggested format, or be in a different format, provided that the forms contain the following information:

- (a) The name of the individual authorizing the withholding or diversion;
- (b) The name of the individual's employer;
- (c) The name of each political committee or candidate for which contributions are to be withheld;
- (d) If more than one political committee or candidate is specified, the total dollar amount per pay period...to be withheld for each committee or candidate;
- (e) A statement specifying that the authorization may be revoked at any time and such revocation shall be in writing;
- (f) A statement that reads: "No employer or labor organization may discriminate against an officer or employee in the terms or conditions of employment for (i) the failure to contribute to, (ii) the failure in any way to support or oppose, or (iii) in any way supporting or opposing a candidate, ballot proposition, political party, or political committee;"
- (g) The individual's signature or other reliable and secure verification; and
- (h) The date on which the form was completed.

As discussed above, Local 598 members are dispatched to TCM projects through a revised Dispatch Form. See Exhibit A. That form contains all of the information listed above and thus complies with WAC 390-17-100. Pursuant to WAC 390-17-100(3), because the form includes the WAC 390-17-100(2) elements, it "constitutes written authorization of the individual authorizing the withholding or diversion." In addition to the new compliant Dispatch Form, Local 598 also prepared a separate Annual Authorization to Withhold Funds for 598 PAC. See Exhibit B. That form is different than the Annual Notification Concerning Withholding Funds for 598 PAC issued by TCM pursuant to WAC 390-17-110.<sup>1</sup> TCM utilizes both forms as appropriate to ensure its employees receive proper notice and submit written requests for withholding.

The Foundation argues the current Dispatch Form used by TCM violates WAC 390-17-100 because it does not expressly give union members the right to specify a withholding amount. The Foundation is apparently troubled by the inclusion of a default 0.7 percent withholding amount. Nothing in WAC 390-17-100 requires that employees be given the opportunity to customize their withholding request. The only similar requirement is set forth at WAC 390-17-

<sup>1</sup> In its Complaint, the Foundation has raised no issues with respect to the annual notice. That said, TCM has provided its employees with the notice, a copy of which is attached as Exhibit F.

100(2)(d), under which an authorization form must specify amounts to be withheld when the funds will be directed to multiple candidates or political action committees. Here, withholdings are made for one political action committee, the PAC. As such, there is no requirement for the form to include the option for employees to specify differing withholding amounts.

If for any reason the PDC feels the forms currently in use are non-compliant, TCM is willing to modify them to the PDC's satisfaction.

**B. TCM Makes only Requested Withholdings**

Apparently based on its review of the C-3 Cash Receipts Monetary Contribution forms filed by the PAC, the Foundation claims that TCM withheld far more than 0.7 percent from its Local 598 member-employees. That is simply not true.

Pursuant to its collective bargaining agreement with Local 598, TCM remits funds to the union on a monthly basis. Attached as Exhibit D is a summary derived from TCM's accounting system showing the monthly PAC withholdings for the employees listed in the Foundation's Complaint. Those withholdings, which are made on the same basis for all Local 598 members who have made the same withholding request, equate to the required 0.7 percent amount. Attached as Exhibit E are spreadsheets from the Company's accounting system showing a monthly example for November 2018 for the three listed employees. Again, the same process is used for all Local 598 member-employees. While the PAC C-3 forms are not the picture of clarity, TCM has complied with its responsibilities.

**NO ENFORCEMENT OPTION IS WARRANTED**

**A. TCM Is Not Violating RCW 42.17A.495 or WAC 390-17-100**

As explained above, TCM is not violating RCW 42.17A.495 or WAC 390-17-100. The Dispatch Form instituted in March 2019, as well as the Annual Authorization to Withhold Funds for 598 PAC, are both compliant. Further, TCM has never withheld more than the requested 0.7 percent.

**B. Any Violation Should be Considered Technical or Minor**

If the PDC finds that the forms currently being utilized by TCM are non-compliant – a claim TCM vigorously disputes – that violation should fall within the concept of “technical corrections” under RCW 42.17A.005(51). A technical correction “means the correction of a minor or ministerial error in a required report that does not materially harm the public interest and needs to be corrected for the report to be in full compliance with the requirements of this chapter.” The Dispatch Forms previously issued by Local 598 did require minor amendments, but those changes have been made.

The Foundation claims, without support, that the technical correction standards do not apply to TCM “because the statute at issue, RCW 42.17A.495, does not pertain to disclosure of contributions or expenditures or require that TCM file any reports with the PDC.” On the



contrary, RCW 42.17A.495(4) requires persons or entities who withhold contributions to maintain documents reflecting the authorizations, for no less than three years, and deliver the information to the PDC "upon request." It is unclear how the Foundation believes that this does not constitute a "required report," based on the plain language of RCW 42.17A.495(4).

If the PDC finds that TCM committed a violation, a warning or correction under WAC 390-37-061 should be issued. WAC 390-37-061(1) provides that PDC staff can consider whether investigations or adjudicative proceedings always constitute the best use of public funds, or "an alternative response better meets the PDC's mission and public expectation by allowing the expedited resolution of minor violation, and the focusing of resources on more significant violations."

Minor violations can occur in three different ways, per WAC 390-37-061(2):

- (a) When required information is not timely disclosed, but the public is not deprived of critical information; or
- (b) When incomplete information is disclosed, but as a good faith effort to comply with disclosure is made, and the public is not deprived of critical information.
- (c) When any other violation of chapter 42.17A RCW has occurred that does not materially affect the public interest.

Here, TCM's violations, if any, fall within WAC 390-37-061(2)(c), and do not materially affect the public interest. TCM has received only one prior warning, in February 2019, that was in fact the result of Local 598's failures, rather than any action on TCM's part. Thereafter, TCM has utilized fully compliant withholding request forms.

### CONCLUSION

TCM's authorization forms are compliant with RCW 42.17A and WAC 390-17. All current deductions from Local 598 members are lawful and properly conducted. TCM asks that the PDC dismiss the Foundation's complaint, based on a finding that no violation has occurred.

Sincerely,

JACKSON LEWIS P.C.



Scott W. Osborne  
Meredith A. Smith

1328 Road 28  
Pasco, WA 99301

# U.A. LOCAL 598 DISPATCH FORM

Phone : (509) 545-1446

Fax : (509) 547-2139

Contractor : Temp-Control Mechanical Corp

Site Name : Microsoft MWVH04

Site Address : 1500 Port Industrial Way  
Quincy, WA 98848

Job Steward : Billy Dolson

Assigned To : Dearborn, Douglas A xxx-xx-xxxx

Comments : DRUG TEST ON SITE. 4X10'S W/OT. [REDACTED] RIGGING  
CERT

Report Date : 03/11/2019

Report Time : 07:0000 AM

Pay Rate : \$50.47

Job Desc : Pipefitter

Job Type : List Call

Hiring List : Book A - Fitter

Site Notes:

## PAC Authorization

So that the common interest of Local 598 members to secure jobs, fair wages, and safe working conditions can be heard by state and federal candidates for office, I voluntarily authorize and direct the above-named employer and any signatory to the Collective Bargaining Agreement for whom I work to deduct the suggested 0.70% (0.0070) as ratified by the Local 598 Membership, each week from my pay for transfer to the Local 598 Political Action Committee, where funds will be used for federal or state races as deemed necessary by PAC leadership. I understand that I have a right to refuse to so contribute without any reprisal. Furthermore, I recognize that the contribution guideline is just that, and that I may contribute any amount or not at all to the Political Action Committee - although only the suggested amount is supported by the paycheck deduction process. Contributing an alternative amount will require contacting the Local's staff. Note: No employer or labor organization may discriminate against an officer or employee in the terms or conditions of employment for (i) the failure to contribute to, (ii) the failure in any way to support or oppose, or (iii) in any way supporting or opposing a candidate, ballot proposition, political party, or political committee. Furthermore, I understand that to comply with the Federal law, the PAC must use its best efforts to obtain, maintain, and submit the name, mailing address, occupation and name of employer of individuals whose contributions exceed \$200 per calendar year. I understand that my contribution is not tax-deductible. I understand that I may revoke my authorization at any time in writing.

Signature : 

Date : 3/8/2019

## Work Assessment Check-Off Authorization

I authorize the Employer to withhold and to pay working dues on my behalf at the current rate of 3% and IAP at 2.25% of gross pay to Local Union 598. This authorization shall be valid for the period of one year or the balance of the term of the current agreement, whichever is sooner, and shall automatically renew itself for successive one-year periods. This authorization is subject to cancellation by written notice to the Employer and Local 598 given within the 60-day period preceding an automatic renewal date.

Signature : 

Date : 3/8/2019

Office Copy

EXHIBIT A

## ANNUAL AUTHORIZATION TO WITHHOLD FUNDS FOR 598 PAC

At least annually you have the right to determine if you want to have a pre-determined percentage withheld from your weekly paycheck to help fund the Local 598's PAC fund.

The State of Washington has a WAC 390-17-110 that addresses withholding provisions as they relate to PAC funds. Below is a portion of that WAC.

- 1) (a) By June 30, 2003, and at least annually by June 30 thereafter, employees from whom funds are being withheld for contributions to a candidate or political committee under RCW 42.17A.495 shall be notified, in writing, of the nondiscriminatory provisions of RCW 42.17A.495(2). Employee notification shall include the following language:

**'No employer or labor organization may discriminate against an officer or employee in the terms or conditions of employment for:**

- (i) The failure to contribute to;**
- (ii) The failure in any way to support or oppose; or**
- (iii) In any way supporting or opposing a candidate, ballot proposition, political party, or political committee.'**

Everyone who has been dispatched by 598 to an employer has language on their dispatch that authorizes the employer to withhold certain percentages from their weekly paycheck as deductions, which are after tax dollars. These are not fringes. It is your right to determine which items are withheld and not withheld as a deduction. If you sign the dispatch slip without making any notation in the authorization area and initialing the notation the employer will withhold per the CBA and the signed dispatch.

In this same area is language that will allow an employee to opt out or in on an annual basis. If notice is not given the authorization automatically renews for another year.

TCM has allowed this opt in or out at any time with a written request. TCM believes this complies with the intent of the WAC and associated RCWs.

Below is the individual annual authorization for TCM to either withhold funds for the 598 PAC, currently at .70% of your weekly gross pay, or to not withhold funds for the 598 PAC. While TCM believes authorization has been given and language on dispatches covers the employee's right to opt in or out TCM is clarifying the individual employed 598 member's intent as it pertains to Local 598's PAC fund.

I, \_\_\_\_\_ authorize TCM to  
Employee Name - Printed

\_\_\_\_\_ withhold 598 PAC funds from my weekly paycheck.

\_\_\_\_\_ Not withhold 598 PAC funds from my weekly paycheck.

\_\_\_\_\_  
Employee signature

\_\_\_\_\_  
Date

**EXHIBIT B**



	DESCRIPTI ON	JOB CLASS	DUES DEDUCT	VAC DEDUCT	H&W	STATE PENION	NAT'L PENSION	SUPPLMT PENSION	ITF JATC TRAINING	ITF TRAINING	LMCCT	IAP	PEC	Leave
J O U R N E Y	JourneymanJ		0.03	8.00	12.40	5.02	4.23	6.33	2.08	0.10	0.30	0.0225	0.007	1.23
	JourneymanF01		0.03	8.00	12.40	5.02	4.23	6.33	2.08	0.10	0.30	0.0225	0.007	1.23
	JourneymanF02		0.03	8.00	12.40	5.02	4.23	6.33	2.08	0.10	0.30	0.0225	0.007	1.23
	General FoG		0.03	8.00	12.40	5.02	4.23	6.33	2.08	0.10	0.30	0.0225	0.007	1.23
	Senior GF S		0.03	8.00	12.40	5.02	4.23	6.33	2.08	0.10	0.30	0.0225	0.007	1.23
A P P R E N T I C E	Helper H		0	0.00	12.40	0	0	0.00	0	0.00	0.00	0	0	0.47
	45% A01		0.03	8.00	12.40	5.02	1.9	6.33	2.08	0.10	0.30	0.0225	0.007	0.66
	50% A02		0.03	8.00	12.40	5.02	2.12	6.33	2.08	0.10	0.30	0.0225	0.007	0.72
	55% A03		0.03	8.00	12.40	5.02	2.33	6.33	2.08	0.10	0.30	0.0225	0.007	0.77
	60% A04		0.03	8.00	12.40	5.02	2.54	6.33	2.08	0.10	0.30	0.0225	0.007	0.82
	65% A05		0.03	8.00	12.40	5.02	2.75	6.33	2.08	0.10	0.30	0.0225	0.007	0.87
	70% A06		0.03	8.00	12.40	5.02	2.96	6.33	2.08	0.10	0.30	0.0225	0.007	0.92
	75% A07		0.03	8.00	12.40	5.02	3.17	6.33	2.08	0.10	0.30	0.0225	0.007	0.97
	80% A08		0.03	8.00	12.40	5.02	3.38	6.33	2.08	0.10	0.30	0.0225	0.007	1.02
	85% A09		0.03	8.00	12.40	5.02	3.6	6.33	2.08	0.10	0.30	0.0225	0.007	1.08
A I P N C R O E M I N I G C E	85% A10		0.03	8.00	12.40	5.02	3.6	6.33	2.08	0.10	0.30	0.0225	0.007	1.08
	45% A01.1		0.03	3.60	12.40	2.26	1.9	2.85	2.08	0.10	0.30	0.0225	0.007	0.08
	50% A02.1		0.03	4.00	12.40	2.51	2.12	3.17	2.08	0.10	0.30	0.0225	0.007	0.62
	55% A03.1		0.03	4.40	12.40	2.76	2.33	3.48	2.08	0.10	0.30	0.0225	0.007	0.68
	60% A04.1		0.03	4.80	12.40	3.01	2.54	3.80	2.08	0.10	0.30	0.0225	0.007	0.74
	65% A05.1		0.03	5.20	12.40	3.26	2.75	4.11	2.08	0.10	0.30	0.0225	0.007	0.8
	70% A06.1		0.03	5.60	12.40	3.51	2.96	4.43	2.08	0.10	0.30	0.0225	0.007	0.86
	75% A07.1		0.03	6.00	12.40	3.77	3.17	4.75	2.08	0.10	0.30	0.0225	0.007	0.92
	80% A08.1		0.03	6.40	12.40	4.02	3.38	5.06	2.08	0.10	0.30	0.0225	0.007	0.98
	85% A09.1		0.03	6.80	12.40	4.27	3.6	5.38	2.08	0.10	0.30	0.0225	0.007	1.05
	85% A10.1		0.03	6.80	12.40	4.27	3.6	5.38	2.08	0.10	0.30	0.0225	0.007	1.05

**EXHIBIT C**

	Williams	Kronberg	Schneirla	Total
November 2018:				
Gross Pay	\$ 18,800.82	\$ 13,047.20	\$ 14,190.78	\$ 46,038.80
Pac Deduction	\$ 131.61	\$ 91.33	\$ 99.34	\$ 322.28
December 2018:				
Gross Pay	\$ 15,393.98	\$ 10,715.36	\$ 14,305.86	\$ 40,415.20
Pac Deduction	\$ 107.76	\$ 75.01	\$ 100.15	\$ 282.92
January 2019:				
Gross Pay	\$ 19,084.76	\$ 14,435.20	\$ 15,728.84	\$ 49,248.80
Pac Deduction	\$ 133.58	\$ 101.07	\$ 110.11	\$ 344.76
February 2019:				
Gross Pay	\$ 18,043.75	\$ 13,269.28	\$ 14,422.94	\$ 45,735.97
Pac Deduction	\$ 126.29	\$ 92.90	\$ 100.97	\$ 320.16
March 2019:				
Gross Pay	\$ 20,567.34	\$ 10,465.52	\$ 16,831.60	\$ 47,864.46
Pac Deduction	\$ 143.70	\$ 73.27	\$ 117.82	\$ 334.79
April 2019:				
Gross Pay	\$ 19,747.17	\$ 8,439.04	\$ 17,934.36	\$ 46,120.57
Pac Deduction	\$ 138.22	\$ 59.09	\$ 125.53	\$ 322.84
May 2019:				
Gross Pay	\$ 23,154.03	\$ 11,881.28	\$ 20,546.16	\$ 55,581.47
Pac Deduction	\$ 162.07	\$ 83.17	\$ 143.82	\$ 389.06
June 2019:				
Gross Pay	\$ 17,034.30	\$ 10,881.92	\$ 16,019.04	\$ 43,935.26
Pac Deduction	\$ 119.22	\$ 76.18	\$ 112.14	\$ 307.54

# EXHIBIT D

Local 598 Plumbers & Pipefitters Benefits Report

Employer  
National ID

0020-402278  
00-74813

Report Month  
Nov-18

EMPLOYEE NAME	TOTAL HOURS	TOTAL PAY	DUES DEDUCT	VAC DEDUCT	LEAVE	H&W	STATE PENSION	NATL PENSION	SUPPLMT PENSION	JATC TRAINING	ITF TRAINING	LWDCI	JAP	PEC	TOTAL FUNDS
Kronberg, Philip	220.00	13047.20	391.42	1760.00	270.60	2728.00	1104.40	930.60	1392.60	457.60	22.00	66.00	293.36	91.33	9,508.11
Schneider, Shawn	224.50	14190.78	425.72	1796.00	276.14	2783.80	1126.99	949.64	1421.09	468.96	22.45	67.35	319.29	99.34	9,754.76
Williams, Donald	259.00	18800.82	564.02	2072.00	318.57	3211.60	1300.18	1095.57	1639.47	538.72	25.90	77.70	423.02	131.61	11,398.36
	703.50	\$ 46,038.80	\$ 1,381.16	\$ 5,628.00	\$ 865.31	\$ 8,723.40	\$ 3,531.57	\$ 2,975.81	\$ 4,453.16	\$ 1,463.28	\$ 70.35	\$ 211.05	\$ 1,035.87	\$ 322.27	\$ 30,661.22

EXHIBIT E

## ATTACHMENT #1

### ANNUAL NOTIFICATION CONCERNING WITHHOLDING FUNDS FOR 598 PAC

As required by the State of Washington administrative code, WAC 390-17-110 please be advised that neither UA Local 598, nor any signatory contractor, may or will discriminate against you in the terms or conditions of your employment for (1) failing to contribute to the PAC, (2) failing to support (or oppose) the PAC, or (3) in any way supporting or opposing a candidate, ballot measure, political party or political committee.

If you have voluntarily authorized PAC contributions, you may rescind that authorization at this, or any, time. As you are aware, so that the common interests of Local 598 members to secure jobs, fair wages, and safe working conditions can be heard by state and federal candidates for office, you have previously voluntarily authorized your employer to deduct 0.70% (0.0070) of your weekly gross pay to be contributed to the PAC.

Should you wish to discontinue this voluntary contribution to the PAC via payroll deduction, at any time, you may contact your employer or, UA Local 598 in writing at 1328 Rd 28, Pasco, WA 99301.

I acknowledge receipt of the above notice to ensure my local union and employer are in compliance with Washington State law:

Printed Name \_\_\_\_\_

Signature \_\_\_\_\_

Date \_\_\_\_\_

Note: A copy of this form shall be retained by Local 598 and your employer for at least five years.

**EXHIBIT F**

September 4, 2019

Mx. Fox Blackhorn  
Public Disclosure Commission  
711 Capitol Way S. #206  
P.O. Box 40908  
Olympia, WA 98504

***Re: PDC Case No. 55700***

Mx. Blackhorn,

This is a supplement to the Freedom Foundation's complaint against Temp-Control Mechanical Corp. (TCM) of July 26, 2019, responding to several issues raised by TCM's response. As requested in your email of August 5, 2019, I am providing the supplemental information within 30 days.

**Allegation 1: Deduction of PAC contributions from employees' wages without legal authorization.**

The Freedom Foundation requested on June 6, 2019 that TCM provide an opportunity to inspect the payroll deduction authorization forms governed by RCW 42.17A.495 that it relied upon to withhold contributions to the United Association of Plumbers and Pipefitters Local 598's (UA 598) political committee from certain employees' wages in March-May 2019. The forms provided to the Foundation on July 24, 2019 consisted primarily of version one and version two dispatch forms the PDC has previously determined to be out of compliance with RCW 42.17A.495. TCM produced revised version three authorization forms for only three employees out of several dozen, suggesting that most of the approximately \$6,000 withheld by TCM from employees for UA 598's political committee during March-May 2019 was withheld pursuant to version one and version two forms.

TCM does not squarely deny that it continued to withhold such contributions based on outdated, illegal forms until the date of its counsel's letter to the PDC on August 28, 2019.

In its response, TCM acknowledges,

"As the Commission has previously noted, outdated versions of the authorization form [presumably versions one and two] did not appear to comply with legal requirements, as employees were not advised about specific nondiscrimination provisions, or their ability to discontinue the withholdings at any time."

It then claims that, "[b]y March 2019, Local 598 modified its Dispatch Form to address the

issues raised by the Commission” and that “no withholdings are *currently* being made [by TCM] for any Local 598 member who has not requested the withholding on a compliant [presumably version three] form.” (Emphasis added).

This limited response could be interpreted multiple ways:

1. It could mean that TCM has, since March 2019, only deducted contributions to UA 598’s political committee from employees that have signed and dated version three dispatch forms, in which case TCM violated its public inspection obligations under RCW 42.17A.495(4) by providing the Freedom Foundation with outdated or inaccurate version one and two dispatch forms. This seems an unlikely explanation, however, given the version one and version two dispatch forms TCM provided to the Foundation and the fact that contributions to UA 598’s political committee from TCM employees did not materially change during the March-May 2019 complaint period.
2. Alternatively, TCM’s response could be interpreted as meaning that, after the Freedom Foundation’s complaint was filed on July 26, 2019, it ceased deducting contributions to UA 598’s political committee from all employees for whom it did not have a signed version three authorization. This would acknowledge that most of the deductions TCM processed in the March-May 2019 complaint period were invalid and suggests TCM’s violations were willful and worthy of significant penalties.
3. Lastly, TCM’s response could mean that it has recently — up to and including August 28, 2019, the date of its response — secured signed version three authorizations from employees for whom it previously possessed only version one or version two authorizations. If so, the violation is even more egregious because it indicates TCM’s willingness to continue illegal wage diversions even after the second complaint was filed.

In any event, TCM skirts the core of the Freedom Foundation’s allegation, namely, that the bulk of the contributions to UA 598’s political committee TCM withheld from its employees’ wages in March-May 2019 were processed pursuant to invalid version one and two dispatch forms.

Without yet another round of investigation, the Freedom Foundation cannot verify whether TCM has since secured version three authorizations from all employees from whom it currently deducts contributions to UA 598’s political committee. Even if this were the case, it would not absolve TCM of deducting thousands of dollars in political contributions from its employees since March 2019 — up to and including the date of its response, August 28, 2019 — without first obtaining legal authorization.

**Allegation 2: The version three dispatch forms generated by UA 598 and utilized by TCM do not permit employees to choose the amount of their contribution(s).**

TCM contends that it may, via the version three authorization forms, legally present employees with the take-it-or-leave-it proposition of having 0.7% of their wages withheld for UA 598’s political committee and deny them the ability to choose how much to contribute. To reach this conclusion, TCM narrowly interprets WAC 390-17-100 as requiring the authorization to allow the employee to designate “the total dollar amount per pay period... to be withheld” only when multiple deductions benefitting multiple committees or candidates are involved.

However, the PDC should find that the Fair Campaign Practices Act (FCPA) not only protects employees' right to choose whether to make political contributions but protects their right to choose how much to contribute to political causes as well.

The template authorization form set forth in WAC 390-17-100 permits employees to designate the specific dollar amount they wish to contribute. WAC 390-17-100(2)(d) further indicates that PAC deduction authorizations must allow employees to designate the dollar amount of the contribution by clarifying that, if the form authorizes contributions to multiple candidates or political committees, the form must specify "the *total dollar amount* per pay period (or per week, month or year) to be withheld *for each...*" (emphasis added).

If the PDC permits deductions based on a fixed percentage of wages when only one recipient is involved, it would make no sense to require deductions for multiple recipients to be designated in dollar amounts. In other words, if an employee can designate 0.7% of their wages be withheld for a single recipient, there is no reason an employee could not specify 0.5% of their wages be withheld for one recipient and 0.2% be withheld for another. Either percentage-based deductions are permissible in all circumstances, or they are permissible in none.

However, the only proper way to understand WAC 390-17-100 is that employee authorizations must permit the designation of a specific dollar amount(s) to be withheld for any and all recipients.

The default position, as clearly indicated by the PDC's template authorization form, is that the authorization must designate a specific dollar amount to be withheld. WAC 390-17-100(2)(d) merely clarifies that, when multiple recipients benefits from the deductions, the employee's authorization must designate the specific dollar amount to be withheld "for each," which is also reflected in the template form. Deducting political contributions based on a fixed percentage of employee wages simply is not envisioned or sanctioned by the FCPA and PDC regulations.

This requirement protects employees from being manipulated into contributing amounts larger than they otherwise would. UA 598's dispatch forms, for example, intentionally attempt to make the deduction amount appear insignificant, describing it as "0.70% (0.0070)." In reality, the deductions often amount to \$100 or more per employee per month, hardly an insignificant sum and likely more than many employees would agree to contribute if they were permitted to designate the amount of the deduction.

### **Allegation 3: Deducting excessive PAC contributions from employees' wages.**

TCM flatly denies the allegation that it withheld more than the designated 0.7% contribution to UA 598's political committee from certain employees. As proof, it included as Exhibit D information from its accounting system for the three employees specifically named in the third allegation of the original complaint. If accurate, the information appears to indicate the deductions were made at 0.7%.

However, the information provided by TCM does not align with the information provided by UA 598's political committee. In fact, none of the information reported by UA 598 and TCM for

Donald Williams, Philip Viktor Kronberg and Shawn Schneirla during the March-May 2019 complaint period matches up, as the below tables illustrate:

<b>Williams</b>		
	<b>UA 598</b>	<b>TCM</b>
<b>Mar-19</b>	\$372.96	\$143.70
<b>Apr-19</b>		\$138.22
<b>May-19</b>	\$270.28	\$119.22
<b>Total</b>	<b>\$643.24</b>	<b>\$401.14</b>

<b>Kronberg</b>		
	<b>UA 598</b>	<b>TCM</b>
<b>Mar-19</b>	\$267.40	\$73.27
<b>Apr-19</b>		\$59.09
<b>May-19</b>	\$166.14	\$83.17
<b>Total</b>	<b>\$433.54</b>	<b>\$215.53</b>

<b>Schneirla</b>		
	<b>UA 598</b>	<b>TCM</b>
<b>Mar-19</b>	\$309.59	\$117.82
<b>Apr-19</b>		\$125.52
<b>May-19</b>	\$218.78	\$143.82
<b>Total</b>	<b>\$528.37</b>	<b>\$387.16</b>

As noted in the original complaint, “[e]ither TCM is deducting more than 0.7% of wages for PAC contributions from at least some employees’ wages or UA 598’s PAC is not accurately reporting receipt of at least some contributions.”

For its part, TCM claims that, “[w]hile the PAC C-3 forms are not the picture of clarity,” the firm “has complied with its responsibilities.”

At this stage, it appears that at least one of the parties is providing inaccurate information and the Freedom Foundation does not have the ability to verify the accuracy of the parties’ claims. This is the proper subject for an investigation by the PDC.

While the Freedom Foundation has not yet filed a complaint against UA 598’s political committee alleging a failure to accurately disclose contributions received, it is willing to do so if necessary. However, in situations such as this in which an investigation uncovers evidence of potential wrongdoing by other actors, it seems appropriate for the PDC to exercise its authority under RCW 42.17A.755(1) to initiate a complaint.



## Enforcement

First, TCM argues that, if the PDC determines its conduct violated the FCPA, it should be treated as a “technical correction” as defined by RCW 42.17A.005(51):

“‘Technical correction’ means a minor or ministerial error in a required report that does not materially impact the public interest and needs to be corrected for the report to be in full compliance with the requirements of this chapter.” (Emphasis added).

The clear import is that this section addresses reports that must be filed with the PDC. TCM believes that the employee authorizations for political deductions it must maintain available for public inspection under RCW 42.17A.495(4) constitute “required reports.” While the term “report” is not defined by the FCPA, it is used hundreds of times. In most if not all cases, the term is used in reference to documents that must be filed with the PDC disclosing political or lobbying activity. The term “report” is not used in RCW 42.17A.495 because the statute does not deal with the disclosure of political or lobbying activity. Instead, the requirement to maintain employee authorizations available for public inspection is meant to serve as a safeguard to ensure the other provisions of the statute are being observed. TCM’s violations of the FCPA simply do not pertain to the filing of a required report with the PDC and do not qualify for resolution as a “technical correction.”

Second, TCM urges the PDC to resolve the complaint with another warning letter as a “minor violation” under WAC 390-37-061(2)(c). TCM did not address the reasons raised in the original complaint as to why treating its violations as “minor” would be inappropriate in this case, and the Freedom Foundation stands by its original arguments.

It must be observed, however, that TCM attempts to minimize the significance of its violations by pointing out that it “has received only one prior warning” from the PDC. That TCM has already received a warning from the PDC earlier this year for deducting political contributions from its employees improperly and has persisted in its noncompliance is properly understood as a detriment to TCM’s current position, not a mitigating factor. Precisely what number of warning letters must TCM receive before it can be expected to take compliance with the law seriously?

## Conclusion

As TCM’s violations of the FCPA have been ongoing and extensive, despite warnings from the PDC, we respectfully request that the PDC initiate enforcement proceedings sufficient, at minimum, to ensure future compliance.

Please let me know if you would like any additional information or clarification regarding this complaint.

Sincerely,

A handwritten signature in black ink, appearing to read "M. W. ...", is written below the word "Sincerely,".

Maxford Nelsen  
Director of Labor Policy  
Freedom Foundation  
P.O. Box 552, Olympia, WA 98507  
(360) 956-3482  
mnelsen@freedomfoundation.com

October 20, 2020

**VIA EMAIL ONLY**

Phil Stutzman  
Public Disclosure Commission  
711 Capitol Way Rm. 206  
P.O. Box 40908  
Olympia, Washington 98504-0908  
[pdcc@pdcc.wa.gov](mailto:pdcc@pdcc.wa.gov)

Re: PDC Case Number 55700

Dear Mr. Stutzman:

Thank you for your patience with respect to obtaining TCM's responses to the further questions you have posed regarding the authorization forms and annual notices. I assure you the delay had zero to do with my client's efforts and desire to bring this matter to a close. The delay has been solely due to my litigation schedule becoming nearly impossible to manage.

As I understand your earlier communication, you have asked for additional information with respect to the following:

- You asked for clarification about the statement in my August 28, 2019 letter that TCM was not "currently" withholding amounts from any employee who had not requested such withholdings using a compliant form. My intent was to reference August 28, 2019. By way of background, in March 2019 when the issue was initially addressed, TCM began using compliant authorization forms for its new hires. It appears the Company's Controller, who left the organization in April 2019, did not have all other employees sign compliant forms at that time and he did not pass off any action item regarding the issue to his successor. Once TCM realized that many tenured employees had not signed compliant forms after receiving the July 2019 communication, the issue was addressed in advance of my August 28, 2019 letter. As of that time and at all times thereafter, TCM has maintained compliant authorization forms signed by all employees from whom funds are being withheld for contributions to Local 598 PAC. It is also worth noting that another set of compliant authorization forms were obtained between January 13, 2020 and February 5, 2020.

- You note that when a July 24, 2019 authorization form review took place, it appeared that only five of 75 authorization forms were the compliant “version three” forms. You asked for TCM’s response for that apparent failure to obtain compliant forms beforehand. As mentioned above, compliant authorization forms began to be used for new hires in March 2019. Five employees were hired after that point and signed “version three” forms. TCM’s former Controller did not obtain “version three” forms from legacy employees at that time and he did not notify his successor about a remaining action item with respect to the forms. Thus, compliant authorization forms were collected after the Company realized the issue. All forms were collected by August 28, 2019.
- You next inquire whether TCM relied on annual notices to substitute for the “version three” form for employees hired prior to March 2019, instead of obtaining new “version three” forms. Given the former Controller’s error, TCM does not believe there was a conscious decision to reply on annual notices in lieu of compliant authorization forms. Rather, it appears an administrative mistake occurred and was not caught by the Controller’s successor before the July 2019 communication.
- You next confirm that annual notices under WAC 390-17-110 will not suffice as substitutes for proper authorization forms under WAC 390-17-100 and seek confirmation that TCM is currently in compliance (or that TCM specify a date by which it will be in compliance). TCM can represent that it has been in compliance at all times since August 28, 2019.
- With respect to annual notices required by WAC 390-18-110, you seek confirmation that such notices were provided to employees from whom funds are being withheld for contributions to Local 598 PAC by June 30, 2019 and June 30, 2020. You also seek specific information about when the notices were provided, as well as a copy of the notices. Finally, you seek clarification that TCM or Local 598 is maintaining copies of the annual notices and a list of employees so notified for a period of at least five years. For 2019, annual notices were not obtained from all employees until August 28, 2019. Until approximately that time, the Company believed the forms provided from Local 598 were sufficient. For 2020, notices were signed between January 13, 2020 and February 5, 2020. Copies of both the annual notices and authorization forms, examples of which are attached, are being retained by TCM for at least five years.
- Finally, you seek information about when monthly PAC contributions that are withheld from wages are sent to Local 598 PAC. TCM represents that all contributions for a given month are provided to Local 598 PAC by the 15<sup>th</sup> of the following month.

I believe the information above and attachments to this letter fully respond to the issues you have raised. Of course, please let me know if you have questions or require anything future to complete your review.

Sincerely,

*s/ Scott Osborne*

Scott Osborne  
503.345.4151  
obornes@jacksonlewis.com  
Jackson Lewis P.C.

Enclosures

4836-5892-7311, v. 1

## ANNUAL AUTHORIZATION TO WITHHOLD FUNDS FOR 598 PAC

At least annually you have the right to determine if you want to have a pre-determined percentage withheld from your weekly paycheck to help fund the Local 598's PAC fund.

The State of Washington has a WAC 390-17-110 that addresses withholding provisions as they relate to PAC funds. Below is a portion of that WAC.

- 1) (a) By June 30, 2003, and at least annually by June 30 thereafter, employees from whom funds are being withheld for contributions to a candidate or political committee under RCW 42.17A.495 shall be notified, in writing, of the nondiscriminatory provisions of RCW 42.17A.495(2). Employee notification shall include the following language:

**'No employer or labor organization may discriminate against an officer or employee in the terms or conditions of employment for:**

- (i) The failure to contribute to;**  
**(ii) The failure in any way to support or oppose; or**  
**(iii) In any way supporting or opposing a candidate, ballot proposition, political party, or political committee.'**

Everyone who has been dispatched by 598 to an employer has language on their dispatch that authorizes the employer to withhold certain percentages from their weekly paycheck as deductions, which are after tax dollars. These are not fringes. It is your right to determine which items are withheld and not withheld as a deduction. If you sign the dispatch slip without making any notation in the authorization area and initialing the notation the employer will withhold per the CBA and the signed dispatch.

In this same area is language that will allow an employee to opt out or in on an annual basis. If notice is not given the authorization automatically renews for another year.

TCM has allowed this opt in or out at any time with a written request. TCM believes this complies with the intent of the WAC and associated RCWs.

Below is the individual annual authorization for TCM to either withhold funds for the 598 PAC, currently at .70% of your weekly gross pay, or to not withhold funds for the 598 PAC. While TCM believes authorization has been given and language on dispatches covers the employee's right to opt in or out TCM is clarifying the individual employed 598 member's intent as it pertains to Local 598's PAC fund.

I, Tod Stowers authorize TCM to  
Employee Name - Printed

☐ withhold 598 PAC funds from my weekly paycheck.

☒ Not withhold 598 PAC funds from my weekly paycheck.

Tod Stowers  
Employee signature

8-23-19  
Date

## ATTACHMENT #1

### ANNUAL NOTIFICATION CONCERNING WITHHOLDING FUNDS FOR 598 PAC

As required by the State of Washington administrative code, WAC 390-17-110 please be advised that neither UA Local 598, nor any signatory contractor, may or will discriminate against you in the terms or conditions of your employment for (1) failing to contribute to the PAC, (2) failing to support (or oppose) the PAC, or (3) in any way supporting or opposing a candidate, ballot measure, political party or political committee.

If you have voluntarily authorized PAC contributions, you may rescind that authorization at this, or any, time. As you are aware, so that the common interests of Local 598 members to secure jobs, fair wages, and safe working conditions can be heard by state and federal candidates for office, you have previously voluntarily authorized your employer to deduct 0.70% (0.0070) of your weekly gross pay to be contributed to the PAC.

Should you wish to discontinue this voluntary contribution to the PAC via payroll deduction, at any time, you may contact your employer or, UA Local 598 in writing at 1328 Rd 28, Pasco, WA 99301.

I acknowledge receipt of the above notice to ensure my local union and employer are in compliance with Washington State law:

Tom Stowers  
Printed Name

[Signature]  
Signature

8-23-19  
Date

Note: A copy of this form shall be retained by Local 598 and your employer for at least five years.