

November 19, 2018

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

Public Disclosure Commission Staff,

I would like to bring to your attention significant and pervasive violations of the Fair Campaign Practices Act (FCPA), Chapter 42.17A RCW, by the following entities:

1. United Association of Plumbers and Pipefitters Local 598
  - a. 1328 Road 28, Pasco, WA, 99301
  - b. (509) 545-1446
2. Plumbers & Steamfitters Local 598 PAC
  - a. 1328 Road 28, Pasco, WA, 99301
  - b. (509) 545-1446
3. American Electric, Inc.
  - a. 1999 Butler Loop, Richland, WA, 99354
  - b. (509) 946-0320
4. Apollo Mechanical Contractors (known until recently as Apollo Sheet Metal)
  - a. 1201 W. Columbia Drive, Kennewick, WA, 99336
  - b. (509) 586-1104
5. Applied Process Cooling
  - a. 3501 Brooklake Road, Salem, Oregon, 97303
  - b. (503) 689-1200
6. BNB Mechanical, LLC
  - a. 918 W. Canal Drive, Suite B, Kennewick, WA, 99336
  - b. (509) 221-1345
7. Brothers Pipeline Corporation
  - a. 954 Jackson Hwy S., Toledo, WA, 98591
  - b. (360) 864-8780
8. Callies Welding and Fabrication, LLC
  - a. 1100 East Columbia Street, Suite B7, Pasco, WA, 99301
  - b. (509) 554-8886
9. Central Washington Refrigeration
  - a. 2725 S. 16th Avenue, Yakima, WA, 98903
  - b. (509) 248-4600
10. Columbia River Electric Maintenance
  - a. 6343 W. Brinkley Rd., Kennewick, WA, 99338

- b. (509) 591-0771
- c. info@crem-inc.com
- 11. Day & Zimmermann NPS
  - a. 1500 Spring Garden Street, Philadelphia, PA, 19130
  - b. (215) 299-8000
- 12. Doubl-Kold
  - a. 3401 Ahtanum Rd., Yakima, WA, 98903
  - b. (509) 248-9588
  - c. wayne@doubl-kold.com
- 13. Fluid Controls and Components, Inc.
  - a. 5909 12th St E, Fife, WA, 98424
  - b. (253) 922-3226
- 14. Indian Eyes, LLC
  - a. 2815 St. Andrews Loop, Suite B, Pasco, WA, 99301
  - b. (509) 542-1114
  - c. roxie@indianeyesllc.com
- 15. Infrasource Services, LLC
  - a. 14103 Stewart Rd., Sumner, WA, 98390
  - b. (206) 418-4270
  - c. melissa.lail@infrasourceinc.com
- 16. Integrated Systems
  - a. P.O. Box 1386, Woodinville, WA, 98072
  - b. (206) 274-1625
  - c. tim.camarata@integratedsc.net
- 17. Intermech, Inc.
  - a. 654 Truman Avenue, Richland, WA, 99352
  - b. (509) 628-9141
- 18. Iron Mountain Management
  - a. P.O. Box 1935, Richland, WA, 99352
  - b. (509) 946-3999
  - c. info@goironmountain.com
- 19. Joint Apprenticeship and Training Committee
  - a. 550 SW 7th St., Renton, WA, 98057
  - b. (425) 228-1777
- 20. JH Kelly, LLC
  - a. P.O. Box 2038, Longview, WA, 98632
  - b. (360) 423-5510
  - c. mail@jhkelly.com
- 21. J.K. Johnson Mechanical Contractors
  - a. P.O. Box 3779, Muscle Shoals, AL, 35662
  - b. (256) 383-0313
  - c. info@johnsoncont.com
- 22. Jordan Mechanical Group
  - a. Kennewick, WA
  - b. (509) 579-4500
  - c. carrie@jordanmechanicalgroup.com

23. JR Merit, Inc.
  - a. P.O. Box 940, Vancouver, WA, 98666
  - b. (360) 693-7474
24. MacDonald-Miller Facility Solutions
  - a. P.O. Box 47983, Seattle, WA, 98146
  - b. (206) 763-9400
25. McClintock and Turk, Inc.
  - a. 516 N Sycamore St, Spokane, WA, 99202
  - b. (509) 535-7641
26. McKinstry Company, LLC
  - a. P.O. Box 24567, Seattle, WA, 98124
  - b. (206) 762-3311
  - c. corporateoffice@mckinstry.com
27. Michels Corporation
  - a. 817 Main Street, Brownsville, WI, 53006
  - b. (920) 583-3132
28. Northwest Metal Fab & Pipe, Inc.
  - a. 4500 SW Advance Rd., Wilsonville, OR, 97070
  - b. (503) 692-0995
29. Perma Cold Engineering, Inc.
  - a. 2945 NE Argyle, Portland, OR, 97211
  - b. (503) 249-8190
  - c. info@permacold.com
30. Snelson Companies, Inc.
  - a. 601 West State Street, Sedro Woolley, WA, 98284
  - b. (360) 856-6511
  - c. info@snelsonco.com
31. Stirrett-Johnson, Inc.
  - a. 5555 NW Westgate Rd., Silverdale, WA, 98383
  - b. info@sjimech.com
  - c. (360) 692-6128
32. TCM Corp.
  - a. P.O. Box 11065, Portland, OR, 97211
  - b. (503) 285-9851
  - c. info@tcmcorp.com
33. Truetemp Northwest, Inc.
  - a. 1627 45th St E # 101, Sumner, WA, 98390
  - b. (253) 826-9640
34. University Mechanical Contractors
  - a. P.O. Box 67, Mukilteo, WA, 98275
  - b. (206) 364-9900
35. Waste Treatment Completion Company, LLC
  - a. 2435 Stevens Center Place, Richland, WA, 99354
  - b. (509) 371-2110
36. Washington State Building (?)
37. Williams Plant Services

- a. 100 Crescent Centre Parkway, Suite 1240, Tucker, GA, 30084
- b. (770) 879-4400

Entities other than those listed above may be involved as well.

In brief, the United Association of Plumbers and Pipefitters Local 598 (UA 598) and/or the above-named employers (Employers)<sup>1</sup> are violating RCW 42.17A.495 and WAC 390-17-100 by improperly deducting hundreds of thousands of dollars in political contributions each year to UA 598's political action committee (PAC) from employees' wages.

Forms generated by UA 598 and in use prior to the Freedom Foundation's

### **Factual background**

UA 598 maintains and operates a political committee, as defined by RCW 42.17A.005(40), called the Plumbers & Steamfitters Local 598 PAC.<sup>2</sup> The PAC is funded by contributions taken via payroll deduction from the wages of UA 598 members. In 2016, \$296,377.64 was taken from employees' wages and contributed to the PAC.<sup>3</sup> In 2017, \$263,422.60 was withheld from employees' wages for the PAC.<sup>4</sup> So far in 2018, \$246,950.39 has been deducted and contributed to the PAC.<sup>5</sup>

On September 27, 2018, the Freedom Foundation sent a letter to UA 598 and two employers listed on the PAC's forms C3, Intermech, Inc. (Intermech) and Apollo Mechanical Contractors (Apollo), requesting to inspect copies of employees' PAC deduction authorization forms.<sup>6</sup> **See Appendix pages 2-5.**

On October 9, 2018, James Barton, attorney for UA 598, emailed the Freedom Foundation to acknowledge receipt of the letters. **See App. 6.** Maxford Nelsen of the Freedom Foundation and Mr. Barton spoke over the phone on October 10, 2018, to discuss the request. Mr. Barton agreed to begin producing copies of the employee authorizations to the Freedom Foundation electronically by October 12, 2018.

On October 11, 2018, Cindy Cook of Intermech emailed the Freedom Foundation a note stating,

“I have just received an email from James Barton, of Torres Law Group, PLLC representing the UA Local 598 in political law matters. Mr. Barton said that he has been in

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<sup>1</sup> Additional contact information for these employers may be available online at:

<http://www.ua598.com/contractors.aspx#content>

<sup>2</sup> A copy of the PAC's most recent form C1PC is available from the PDC online at:

[http://web.pdc.wa.gov/rptimg/default.aspx?filerid\\_election\\_year=PLUMSF%20301%3A%7C%3A2018](http://web.pdc.wa.gov/rptimg/default.aspx?filerid_election_year=PLUMSF%20301%3A%7C%3A2018)

<sup>3</sup> [https://www.pdc.wa.gov/browse/campaign-explorer/committee?filer\\_id=PLUMSF%20301&election\\_year=2016](https://www.pdc.wa.gov/browse/campaign-explorer/committee?filer_id=PLUMSF%20301&election_year=2016)

<sup>4</sup> [https://www.pdc.wa.gov/browse/campaign-explorer/committee?filer\\_id=PLUMSF%20301&election\\_year=2017](https://www.pdc.wa.gov/browse/campaign-explorer/committee?filer_id=PLUMSF%20301&election_year=2017)

<sup>5</sup> [https://www.pdc.wa.gov/browse/campaign-explorer/committee?filer\\_id=PLUMSF%20301&election\\_year=2018](https://www.pdc.wa.gov/browse/campaign-explorer/committee?filer_id=PLUMSF%20301&election_year=2018)

<sup>6</sup> RCW 42.17A.495(4) provides: “Each person or entity who withholds contributions under subsection (3) of this section shall maintain open for public inspection for a period of no less than three years, during normal business hours, documents and books of accounts that shall include a copy of each employee's request, the amounts and dates funds were actually withheld, and the amounts and dates funds were transferred to a political committee.”

contact with you and that they will be handling the documentation requests. Per Mr. Barton's email (enclosed) we have no further action at this time.”

*See App. 7.*

Attached to Ms. Cook's email was a copy of an email Intermech had received from Mr. Barton, which read:

“Torres Law Group, PLLC represents UA Local 598 in political law matters, and I am the attorney addressing the request from the Freedom Foundation for dispatch forms.

I've been in contact with Max Nelsen from the organization and assured him that we would get the requested records over to him. He understands we are responding and recognizes there will be some processing time. He acknowledged that the date of this Friday was somewhat arbitrary for a response date, and that, in terms of his letter, we have 'begun working in good faith to provide' the requested documents.

In short, you do not need to worry about taking any further steps. Nick will be in touch with you if we need anything, but we are working the Freedom Foundation to get them the documents.”

*See App. 8.*

On October 12, 2018, Mr. Barton emailed the Freedom Foundation copies of “UA Local 598 Dispatch Forms” that had been signed in 2016 by UA 598-represented employees of Intermech and Apollo. *See App. 9.* The forms contain a “Work Assessment Check-Off Authorization,” which reads:

“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.”

*See App. 10-102.*

The “UA Local 598 Dispatch Forms” for both Intermech and Apollo were the same.

On October 22, 2018, Mr. Barton emailed the Freedom Foundation copies of “UA Local 598 Dispatch Forms” that had been signed in 2017 by union-represented employees of Intermech and Apollo. *See App. 103-127.* The terms of the forms were the same as the 2016 forms cited above.

On October 24, 2018, Mr. Barton emailed the Freedom Foundation a final installment consisting of the “UA Local 598 Dispatch Forms” that had been signed in 2018 by union-represented employees of Intermech and Apollo. *See App. 128.* Dispatch forms signed prior to October 9,

2018, contained the same terms as the 2016-17 forms previously cited.

However, forms signed on or after October 9, 2018, contained substantially revised terms, providing:

“I authorize the Employer to withhold and to pay working dues on my behalf at the current rate of 3% and IAP at 2.5% of my 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 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 an Local 598 given within the 60-day period preceding an automatic renewal date.”

*See App. 129-226.*

In an October 24, 2018, email to the Freedom Foundation, Mr. Barton confirmed that the two versions of the dispatch forms were “uniform” across all employers with which UA 598 interacts. *See App. 277.*

In an October 16, 2018, email to the Freedom Foundation, Donna Saylor, Intermech’s payroll and human resources manager, confirmed that “Intermech is the entity that actually withholds the funds for PAC from the employee’s checks. The union is not involved in our payroll processing.” *See App. 229.*

Ms. Saylor also included a portion of Intermech’s collective bargaining agreement (CBA) with UA 598.

In another email later that day, Cindy Cook of Intermech emailed the Freedom Foundation another excerpt from its CBA with UA 598. *See App. 230.*

Article 6.1 of the CBA requires Intermech employees to be members of UA 598 as a condition of employment:

“The Employer shall require all Employees engaged in plumbing and pipefitting work who are members of Local 598 on the date of execution of this Agreement to *maintain such membership as a condition of employment*. The Employer shall require all other Employees, either presently on the payroll or future new hires, who are engaged in plumbing and pipefitting work to acquire and *maintain membership in Local 598 as a condition of employment* on and after the eighth (8th) day following the commencement of their employment or the date of execution of this Agreement, whichever is later.” (Emphasis added)

**See App. 232.**

Article 6.2 of the CBA defines “membership” as:

“...Tendering to Local Union 598 its initiation fee... the monthly dues established by Local Union 598; and... the working dues (based on the previous month's employment) established by Local 598.”

**See App. 232.**

Article 6.3 of the CBA requires the employer to deduct union dues and PAC contributions from employees’ wages:

“Employer agrees to check off from wages earned working dues of three percent (3%) and two and one quarter percent (2.25%) for organizing, the Industry Advancement Program (IAP) from the basic hourly wage rate, savings, and overtime, as a condition of employment under this Agreement, seven tenths of one percent (.7%) for Political Action Committee (PAC) and remit to the Trust Fund Administrator. The Employer's obligation under this Section is contingent upon receipt of a written authorization providing for such deductions...”

**See App. 232-235.**

Lastly, Article 6.4 of the CBA provides:

“The Employer shall terminate any Worker who is not a member of Local 598 as required by this Article within forty-eight (48) hours after receiving written notice from Local 598.”

**See App. 233.**

These provisions are nearly identical to a 2005-08 template CBA UA 598 entered into with employers. **See App. 236-262.** The template CBA does not refer to payroll deductions for political contributions, because the PAC was not started until 2011.<sup>7</sup> **See App. 263.** But the provisions

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<sup>7</sup> The UA Local 598 newsletter dated October 28, 2011, stated, “On the Political Front we have now started an active Political Action Committee and *our intent is to become a political power* here in Eastern Washington and Northeast Oregon. We are happy to say that the Committee has hit the ground running and has been very active in the upcoming elections.” (Emphasis added)

related to requiring union membership and dues payment as a condition of employment are nearly exactly the same as the comparable provisions in the current Intermech CBA.

It is therefore likely that the union membership and dues deduction requirements in UA 598's CBA with Intermech are also included in the union's CBAs with other employers.

### **Relevant statutes**

RCW 42.17A.495 provides, in part:

“(2) 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. At least annually, an employee from whom wages or salary are withheld under subsection (3) of this section shall be notified of the provisions of this subsection.

(3) 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.”

The regulation corresponding to the above statute, WAC 390-17-100, provides:

“(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 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.
- (3) Forms used for payroll deduction may have information in addition to that listed in subsection (2) of this section. A form that satisfies subsection (2) of this section constitutes the written authorization of the individual authorizing the withholding or diversion.
- (4) Employers and other persons who withhold or divert wages or salaries must:
- (a) Maintain the completed forms, with the individual's signature or verification, for as long as the withholding or diversion continues;
  - (b) Keep the forms and other documents described in RCW 42.17A.495(4) open for public inspection for three years after the last disbursement of wages or salaries; and
  - (c) Provide the forms and other documents described in RCW 42.17A.495(4) to the commission upon request.

#### Political Contribution Withholding Authorization

No employer or other person may withhold a portion of a Washington State resident's earnings (or that of a nonresident whose primary place of work is in Washington) in order to make contributions to a political committee that must report to the Public Disclosure Commission or to a candidate for state or local office without written permission from that individual. Completion of this form entitles the entity specified to make such a withholding. This authorization form remains in effect until revoked in writing by the employee.

I, [first name, middle initial, last name] authorize [name of employer or other person] to withhold \$[amount] per/pay period/week/month/year [circle one] from my earnings in order to make political contributions to [name of political committee(s) and/or candidate(s) to receive deductions].

If more than one recipient is indicated, each is to receive the following portion of the deduction made: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_”

## Allegations

### **1. UA 598 compels employees to contribute to its PAC as a condition of employment, unlawfully discriminating against those who do not wish to contribute.**

RCW 42.17A.495(2) prohibits employers and unions from discriminating “against an officer or employee in the terms or conditions of employment for (a) the failure to contribute to... a... political committee.”

However, Article 6 of the CBA UA 598 enters into with employers requires employees to be union members, defined as payment of union dues and fees, as a condition of employment and requires employers to deduct union dues and PAC contributions from employees’ wages pursuant to written authorization.

The “dispatch forms” UA 598 had employees sign from 2016-October 2018 *simultaneously authorize* the deduction of union dues *and* PAC contributions from employees’ wages. The form provides no mechanism for an employee to authorize union dues deductions but *not* PAC deductions.

Since employees will be terminated if they do not sign the dispatch forms, they are effectively forced to acquiesce to the deduction of 0.7 percent of their wages for PAC contributions.

This practice illegally discriminates against employees by denying them the ability to choose voluntarily whether to contribute to UA 598’s PAC.

The revised dispatch forms utilized by UA 598 after its practices came under Freedom Foundation scrutiny do not resolve this violation. These forms also authorize, by a single signature, both the mandatory union dues deductions and the optional PAC deductions. While the forms claim that the signer may “refuse to [] contribute [to the PAC] without reprisal,” the forms provide no mechanism for an employee to indicate they do not wish to contribute to the PAC, instead directing employees who object to the PAC deductions to contact the union directly to have them ceased *after* they have been authorized and initiated.

Further, the terms of the form are not internally consistent. While the form claims the PAC deductions are voluntary, it also limits the ability of a signer to cancel the (singular) authorization to arbitrary 60-day periods.

In short, UA 598-represented employees are illegally required, as a condition of employment, to sign the dispatch forms authorizing union dues and PAC deductions from their pay and illegally limited in their ability to cancel the deductions.

### **2. The forms UA 598 requires employees to sign authorizing PAC contributions to be deducted from their wages do not contain required disclosures.**

RCW 42.17A.495(3) prohibits the deduction of PAC contributions from employee wages absent the employee’s written request. It further requires,

“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.”

WAC 390-17-100(2) requires that PAC contribution authorization forms must include:

“(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’; or a statement that informs the employee of the prohibition against employer and labor organization discrimination described in RCW 42.17A.495...”

No such disclosures or statements are included on UA 598’s dispatch forms. The statement in the revised UA 598 dispatch forms that employees may refuse to contribute to the PAC “without reprisal” falls far short of the disclosure required by WAC 390-17-100(2)(f).

**3. The forms UA 598 requires employees to sign authorizing PAC contributions to be deducted from their wages do not permit employees to determine the amount of their contribution(s).**

UA 598’s “dispatch forms” violate WAC 390-17-100 by failing to permit the employee to designate the amount of the contribution to be withheld from their wages. The “dispatch forms” uniformly require all 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 he or she wishes to contribute.

**4. Employees contributing to UA 598’s PAC are not annually informed that they may not be discriminated against for failure to do so.**

RCW 42.17A.495(2) also provides, “At least annually, an employee from whom wages or salary are withheld under subsection (3) of this section shall be notified of the provisions of this subsection.”

Neither UA 598 nor the Employers notify employees they cannot be discriminated against for failure to contribute to the union’s PAC. Were it provided, such notice would be misleading, given current practices, since employees are denied the practical ability to avoid having PAC contributions illegally seized from their wages in the first place.

**5. Employees contributing to UA 598’s PAC are not permitted to cancel the deductions at any time.**

RCW 42.17A.495(3) protects the right of employees to “revoke the request [to have PAC contributions withheld from their wages] at any time.” However, the language of both versions of

the “dispatch form” limits the ability of a signer to cancel the unified authorization for dues and PAC contributions to the 60-day period preceding the anniversary of the form’s signing or the 60-day period preceding the expiration date of the applicable collective bargaining agreement.

**6. Employees contributing to UA 598’s PAC are not annually informed of their right to revoke the PAC deduction authorization.**

Similarly, RCW 42.17A.495(3) provides, “At least annually, the employee shall be notified about the right to revoke the request” to have PAC contributions withheld from their wages.

Neither UA 598 nor the Employers provide such notice to employees. Were it provided, such notice in this case would be inaccurate anyway, since employees are arbitrarily limited in their ability to revoke the PAC deductions from their pay to one or two annual periods.

**Conclusion**

The violations of the FCPA committed by UA 598 and Employers are long-running, systematic and significant. UA 598 set up its PAC with the stated intent of becoming “a political power,” and the illegal payroll deduction scheme it has concocted is the means by which it has pursued this goal. The illegal PAC deductions have deprived over 1,000 workers of access to wages they are legally entitled to and deny them the ability to control whether and how to make political contributions. Further, the contributions to the PAC illegally deducted from employees’ wages have allowed UA 598 to influence, through political contributions and expenditures, dozens of elections around the state.<sup>8</sup> The extent of UA 598’s illegal influence on these elections is difficult to quantify, but the sheer number of elections and the amount of money involved make the issue one of substantial public concern.

UA 598’s illegal “dispatch forms” and PAC deduction practices do not represent “remedial violations” as defined by RCW 42.17A.005(45). Further, none of the mitigating factors courts may consider when assessing civil penalties for violations of the FCPA are applicable to UA 598’s actions.<sup>9</sup> The violations are “systematic” and “ongoing,” not “isolated or limited in nature”; they were committed by a well-funded organization with professional legal counsel, not campaign volunteers; the amount of money involved is substantial; UA 598 benefitted politically by being able to use money illegally taken from employees to make political contributions; and the violations did not occur due to emergencies or factors outside the control of UA 598.

Therefore, we respectfully request that the PDC act decisively to put a stop to the ongoing illegal deductions from employees’ wages and levy penalties of sufficient magnitude to deter such behavior by UA 598 and other political actors in the future.

Please do not hesitate to contact us if we can be of any further assistance in this matter.

Sincerely,

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<sup>8</sup> PDC records indicate the PAC contributed to at least 12 candidates and two other PACs in 2018 alone. [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)

<sup>9</sup> See RCW 42.17A.750(1)d).



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