

From: tranquan19426
To: Maxford Nelsen
Subject: RE: WFSE political spending
Date: Friday, November 6, 2015 9:25:46 AM

Good Morning Max,

Like I told you in our conversation yesterday; the Unions, WFSE in particular had not ever been challenged in the past by any forces, so they never had to prove their worth to the members. Bullying, racism, nepotism, corruption and...other illnesses are the result the membership has to suffer.

I truly believe in the "Ying and Yang" principle. The mission your group is carrying out fills the missing half of this principle. It will either make (stronger) or break the Unions.

Another very corrupt Union is the OPEIU, especially the OPEIU Local 11 in SW Washington and Portland.

I can help you with accessing the members of this group.

Quan

Sent from my T-Mobile 4G LTE Device

----- Original message -----

From: Maxford Nelsen
Date: 11/05/2015 16:51 (GMT-08:00)
To: tranquan19426@yahoo.com
Subject: WFSE political spending

Hi Quan,

Thanks for the phone call this afternoon. It was good to talk to you. After our conversation, I did some digging and came up with a few examples of what I believe to be political spending by WFSE from its general budget which, of course, comes from mandatory union dues/fees.

Here's my train of thought:

--[if !supportLists]-->1. <!--[endif]-->AFSCME's [PEOPLE political action committee](#) is a federal political action committee and falls under the Federal Election Commission. Contributions to this PAC from AFSCME members around the country are made voluntarily in addition to their union dues and fees. Some of this money is spent in Washington state to influence elections.

--[if !supportLists]-->2. <!--[endif]-->WFSE doesn't have a political action committee registered with the Washington Public Disclosure Commission. However, Washington State political candidates and political action committees report receiving contributions from the Washington Federation of State Employees.

<!--[if !supportLists]-->a. <!--[endif]-->For instance, the New Direction PAC was formed this year to support Rep. Carol Gregory's re-election campaign in the 30th legislative district. In both August and September, the New Direction PAC

reported receiving \$25,000 from the Washington Federation of State Employees. I've attached the PAC's C-3 reports to the Public Disclosure Commission for August and September for your reference.

--[if !supportLists]-->3. <!--[endif]-->Because WFSE does not have a PAC, it sometimes has its lobbyists make contributions to Washington political candidates on its behalf. Dennis Eagle is one of WFSE's several lobbyists. As a lobbyist, he is required to file monthly reports to the Public Disclosure Commission. According to his L-2 reports for the last three months (July, August and September), he has contributed over \$100,000 to various candidates and PACs in Washington on WFSE's behalf.

--[if !supportLists]-->4. <!--[endif]-->If the money that WFSE is contributing to political candidates/PACs directly or through its lobbyists *is* coming from voluntary contributions made by WFSE members above and beyond their membership dues, then WFSE would be required under state law to create a political action committee and report the individuals contributing to it. But it has not done so, leading me to believe that the contributions are being made out of the union's general fund.

--[if !supportLists]-->5. <!--[endif]-->It is also possible that WFSE has a "separate segregated fund" that it uses for politics. These can also be called 527 organizations for IRS purposes. But again, if WFSE is collecting contributions from individual members in excess of dues for the purpose of spending the money on politics, then it is legally obligated to register a PAC under state law. If WFSE has a separate segregated fund/527, I imagine that the money in the fund was simply transferred out of the union's general budget, again meaning that union dues are being spent on political activity.

--[if !supportLists]-->6. <!--[endif]-->Lastly, WFSE files basic financial reports annually with the U.S. Department of Labor, called LM-2s. Line 51 on page four indicates how much money the union has spent on "political activities and lobbying."

<!--[if !supportLists]-->a. <!--[endif]-->According to the union's 2015 LM-2, [available here](#), WFSE spent \$92,852 on politics and lobbying.

<!--[if !supportLists]-->b. <!--[endif]-->According to the union's 2014 LM-2, [available here](#), WFSE spent \$652,900 on politics and lobbying.

<!--[if !supportLists]-->c. <!--[endif]-->According to the union's 2013 LM-2, [available here](#), WFSE spent \$1,435,470 on politics and lobbying.

Feel free to know if you have any thoughts or questions, or if there's anything I'm missing.

Looking forward to staying in touch.

Best,

Maxford Nelsen

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