

STATE OF WASHINGTON PUBLIC DISCLOSURE COMMISSION

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February 26, 2021

Delivered electronically to: Thomas P. Holt at tholder.com

Intermech, Inc. (3) c/o Thomas P. Holt Littler Mendelson, PC 600 University Street, Suite 3200 Seattle, WA 98101-3122

Subject: Complaint Filed by Maxford Nelsen, PDC Case 54818

Dear Mr. Holt:

After a careful review of the alleged violations and relevant facts, the PDC has resolved the complaint filed by Maxford Nelsen against Intermech, Inc. The complaint has been resolved through a Statement of Understanding and dismissal, as described below.

Intermech, Inc. completed a Statement of Understanding (SOU) in accordance with WAC 390-37-142. In the SOU, Intermech, Inc.: (1) acknowledged a violation of RCW 42.17A.495 and WAC 390-17-100 by deducting employees' wages for political contributions to Plumbers & Steamfitters Local 598 PAC (Local 598 PAC), the political committee operated by United Association of Plumbers and Pipefitters Local 598 (Local 598), without first obtaining authorizations that comply with RCW 42.17A.495 and WAC 390-17-100; (2) expressed an understanding that the Commission will not hold an adjudicative hearing in connection with the violation; and (3) paid a \$500 civil penalty. The \$500 penalty resolves this allegation. Staff believes this is the appropriate resolution considering all the facts and circumstances, including Intermech's good-faith efforts to come into compliance after receiving the PDC's February 14, 2019 warning letter.

The complaint also alleged the otherwise compliant Version Three dispatch/authorization form created by Local 598 PAC for Intermech violated WAC 390-17-100 by failing to allow the employee to designate the dollar amount of the contribution to be withheld from the employee's wages. The complaint alleged the authorization form impermissibly restricted the employee's ability to choose how much to contribute to the PAC by providing a pre-determined contribution of 0.7 percent of wages, even though the template form in WAC 390-17-100 permits the employee to designate a specific dollar amount for a contribution.

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Staff's investigation found an employee is not prohibited by RCW 42.17A.495 and WAC 390-17-100 from requesting a payroll deduction for political contributions based on a percentage of the employee's wages or salary, meaning that a requested deduction based on a percentage of the employee's salary is permissible. Therefore, I am dismissing that portion of the complaint in accordance with WAC 390-37-070.

If you have questions, you may contact Phil Stutzman, Compliance Officer, at 360-753-1111; toll-free at 877-601-2828; or by e-mail at pdc@pdc.wa.gov.

Sincerely,

Electronically Signed Peter Frey Lavallee

Peter Frey Lavallee Executive Director

Enclosures: Dismissal letter sent to the Freedom Foundation