

2024 Local Union Election Guide



Member-to-Member Communication



- Local unions can spend any amount from any source to communicate with their members and their members' families on any subject, including who they should vote for and why.
- You can use general fund money or PAC money.
- You can coordinate your efforts and your message with the parties or candidates that you support.
- It's all legal and it's all tax-free, and, it may be the most effective thing you can do.

Communicating with the General Public



- It is lawful to communicate with the general public to convince them to support union-endorsed candidates.
 - You must avoid coordinating your efforts with candidates or the party. Coordination turns lawful independent expenditures into potentially unlawful contributions.
- Under federal tax law, you can spend union treasury funds to convince the public to vote for a candidate, but your local union will be taxed at 21% of expenditure or your investment income, whichever is lower.
 - If you spend PAC money to do the same thing, it's tax-free.
- If you're going to make independent expenditures, do it with PAC money and avoid federal tax.

Contributions to Candidates

- Contributions to all federal candidates and committees must come from the federally registered IBEW PAC.
- In most states you can use general fund money to make contributions to state and local candidates, however there are about 16 states in which state law prohibits the use of general fund money.
- Contribution to a state candidate directly from your LU treasury will be taxed at the 21% rate.
 - If a PAC makes the same contribution, it's tax-free.
- Use PAC money, not union treasury money, to avoid unnecessary taxes.



Campaign Signs on Local Union Property

- Do not coordinate with the candidate or party.
- Pay expenses with PAC money.

Where the Money Should Come From

01

PAC Fund:

- Contributions to candidates
- Contributions to party organizations
- Independent Expenditures
- Contributions to other political committees

02

General Fund:

- Issue advocacy
- Ballot measures and referenda
- Lobbying



Using Local Union Facilities



It is lawful to allow a party organization or a candidate to use your offices for phone banking or meetings, however your LU is likely making an in-kind contribution to the party or candidate.



3 ways to avoid that tax problem:

- Charge the market value for use of your phones or your meeting room, that would not be a contribution.
- Make your facilities available for free or at discount – but only if you offer the same terms to every other organization and candidate.
- Have a PAC reimburse your LU general fund for the expense.



Although lawful in most cases, an in-kind contribution is taxable.

Candidate Appearances



- If the audience is limited to your members and their families, LU can pay the expenses of the meeting.
- Candidates may lawfully ask for contributions.
- The LU can't solicit contributions on behalf of a candidate or handle money that is contributed, let the candidates staff do that.

Contributions to IBEW PAC



- IBEW PAC collects voluntary contributions from individual U.S. IBEW members and contributions from LUs and LU PACs.
- There are no tax issues with contributions from individual members or LU PACs.
- Contributions from local union treasuries.
- Only dues income can be contributed (not investment income).
- Must be contributed promptly and directly.
 - Contributions should be made with most recently received dues income.
 - Records should reflect source of contribution.



Volunteering for a Candidate

- Unions can urge members to volunteer for a candidate and provide information on how to.
- Officers or employees on your LU payroll can volunteer. To volunteer during working hours, they will need to use vacation or unpaid leave or make up the time within 30 days.