



COAL, GASOLINE, FUEL OIL TEAMSTERS, CHAUFFEURS, HELPERS, OIL BURNER INSTALLATION, MAINTENANCE, SERVICEMEN,
AND HELPERS OF NEW YORK CITY AND VICINITY, NASSAU AND SUFFOLK COUNTIES, NEW YORK

Teamsters Local Union No. 553

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Testimony of Demos P. Demopoulos, Secretary – Treasurer, and Executive Officer Of Teamsters Local Union No. 553, International Brotherhood of Teamsters Before the Campaign Finance Board, October 27, 2011

Hello, I am Demos Demopoulos, Secretary-Treasurer and Executive Officer of Teamsters Local 553, one of the oldest local unions in New York, representing roughly 1,200 members in the New York metropolitan area.

I'd like to begin by thanking you, not only for the opportunity to comment on these proposed regulations, but also for your service to this city.

In regards to the November 2010 amendment to the City Charter, I think we can all agree with its intent. However, it is my opinion that the rules that were drafted in response to this amendment far exceed its mandate, and actually threaten the political participation of thousands of New York residents, including my members.

Under these guidelines, our membership and public advocacy, and our necessary work with public officials, would be improperly classified as in-kind contributions to candidates. This rule would limit and even prevent us from communicating both with our members and with the public regarding our issues.

If the Campaign Finance Board believes it should regulate and limit member communications and issue advocacy, effectively impeding our First Amendment right to communicate with our members, then voters or our elected representatives should have the right to vote and weigh in on this important issue, especially since that is not what New Yorkers thought they were voting for on last year's ballot.

When union members communicate with each other about politics, it increases our participation in the political process. Several studies prove that when unions communicate with their members about politics and why their vote matters, those members are more likely to participate.

Treating membership organizations as if we were actual political campaign committees is misguided. If we spend as little as \$1,000 communicating with the public about an elected official's stand on legislative issues (if the elected official happens to be a candidate), we would have to file extensive financial reports for the first time. The same would be true if we were communicating with our own members about an election.

Reporting is not a simple process that my limited staff can take on. There would be as many as 12 scheduled reports, plus up to 14 more just before the primary or general election. Each report would require a great deal of information and documentation.

Failure to report, or reporting incorrectly, could lead to lengthy investigations, \$10,000 fines and even criminal prosecution.

And these disclosures are in many cases duplicative; as it is, our Joint Council 16, a composition of 30 Teamster Locals in NY representing 120,000 members regularly files lobbying disclosure reports.

The proposed rule is especially onerous because it goes beyond simply requiring new disclosures. If a covered communication were “coordinated” with an elected official, it would be deemed an “in-kind contribution” and, if it cost at least \$2,750, \$3,850 or \$4,950 (depending on the office the elected official were running for), it would be illegal and prohibited. And, each amount is cumulative per “candidate” throughout a 4-year election cycle.

If my union were to shine a light on a City Council Member’s role or leadership on an issue relevant to our members, for example the cleaning up New York’s heating oil, we would be prevented from doing so due to our limited staff capacity and contribution limits which would strangely apply.

There can be little question that given the high costs -- both in the complexity of CFB filing and the need to retain accounting and legal counsel – and the risks of erroneous reporting, that many groups would respond to these proposed rules by limiting their own speech, including to their own members – an outcome at odds with the CFB’s broad goal of increasing participation in the democratic process.

Smaller unions and organizations such as the Teamsters Local 553 would be especially hurt. That would be an unacceptable consequence of a City law that was designed instead to inform the general public about the identities and funders of secretive groups that are trying to persuade them how to vote.

The CFB can fulfill the City Charter amendment’s goal of bringing transparency and accountability to independent political expenditures without stifling speech that is critical to the democratic process by limiting its proposed rules to “express advocacy,” the spending that targets the *public* with speech that clearly supports or opposes candidates in elections.

The CFB should not interfere with membership relationships, impose onerous and chilling requirements on legislative and issue advocacy, or force organizations to report irrelevant private information in exchange for exercising our First Amendment rights.

Thank you again.

Respectfully,
Demos P. Demopoulos
Secretary – Treasurer/Executive Officer, Teamsters Local 553, IBT