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March 20, 2008

Mr. Rupert Borgsmiller
Director- Compliance Division
State Board of Elections
900 S. Second Street
Springfield, IL 62702

Re: Southern & Central Illinois Laborers' Political League

Dear Mr. Borgsmiller:

As you know, I represent the Southern & Central Illinois Laborers' Political League. Enclosed is the Non Profit Organization Statement of Registration for the Political League. This is an application retroactive to January 1, 2007 as required under 26 IL. Admin. Code 100.130.

My client is very concerned about the recent developments in which Election Board staff informed us that the Political League should have been reporting as a non profit since January 1, 2007. This concern led to our meeting on February 13, 2008 at your office.

At the meeting you communicated the Board's discovery of a website in which the Southern & Central Illinois Laborers' Political League's 527 reports were displayed. In light of the Board's knowledge of the Political League reporting to the IRS as a Section 527 organization, it was now the Board's position that the Illinois Election Code, and administrative rules pursuant to the Election Code, require the Political League to file contribution and expenditure reports with the Board.

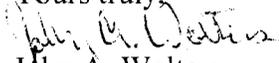
I expressed the Political League's position that it has always made a diligent and good faith effort to comply with the Election Code and, if so required, the Political League would file any requisite reports. In fact, the Political League will file the reports shortly.

At the same meeting, you indicated the Political League will be subject to fines pursuant the Election Code. It is this issue, in light of the Political League's diligence and good faith efforts, which raises serious concerns.

Our concerns stem from the fact that, during the Political League's own monitoring efforts, it has consistently initiated contact with the Board to seek its guidance regarding the Political League's compliance with Illinois' election laws. Our file includes communications with the Board starting with an April 20, 1990 letter from Mr. Zimmer, General Counsel for the State Board of Elections. On May 4, 1995, William Cavanagh from this firm again conferred with Mr. Zimmer regarding compliance issues. On August 25, 1995, Mr. Cavanagh met with you to discuss compliance issues. In September 2005, James Moody from this firm sent you a copy of the Political League's by-laws for comment. Then, during the week ending February 17, 2007, you and I talked extensively on several occasions regarding reporting requirements to the State Board of Elections. Based on our conversations, it was my understanding that the Political League was not required to report to the State Board of Elections because the Political League did not solicit contributions, and funds for expenditures came from the union treasury. The Political League was thereby excluded from the requirement pursuant to the Election Board's Administrative Rule 100.10(g)(3). In addition, the Board's Guide to Campaign Disclosure states that "Corporations, associations, labor unions, or individuals who make political donations strictly from corporate profits, union treasury, or personal income." are not covered by the Act. (See P.4 under the heading Who Is Not Covered By the Act.)

Further, during our conversations, I indicated the Political League was a Section 527 organization and was submitting regular 8872 reports to the IRS. I recall specifically noting that these reports showed the Political League's willingness to comply with applicable laws as well as the transparency of its activities. Ironically, the Political League is now subject to fines due to its status as a 527 organization.

In light of the Board's current position that the Political league is required to report contributions and expenditures, we are now compiling the reports and they will be submitted shortly. Further, we will continue to pursue a cooperative relationship with the Board. However, we are very disappointed and frustrated by the fact that the Board intends to fine the Political League despite its previous consultations and efforts. Accordingly, if there are provisions to allow a waiver of said fines, we would request the fines be waived by the Board to reduce the administrative costs to all involved. If there are no provisions for a pre-emptive waiver, then the Political League requests said fines be waived pursuant to the Board's administrative rules and procedures. Thank you.

Yours truly,

John A. Wolters

Enclosure