



Statement of Reasons for Dismissing a Complaint
Alleging Amalgamated Transit Union Improperly
Imposed a Trusteeship Over Its Subordinate Local 998

A member in good standing of Local 998 of the Amalgamated Transit Union (ATU) filed a complaint with the U.S. Department of Labor on March 19, 2021, challenging the validity of the trusteeship imposed on the local by the ATU on November 30, 2020. The complainant alleged that the ATU bylaws permit the imposition of a trusteeship for the sole purpose of resolving a financial issue. The complainant asserted that, at the time of the imposition of the trusteeship, no such issue existed in Local 998. Therefore, the trusteeship was not imposed for a purpose allowable under the ATU bylaws. The complainant further asserted that the ATU failed to conduct a “deeper investigation” to understand the conflict within the local before imposing the trusteeship.

As explained below, the Department’s investigation found that the trusteeship was imposed for two allowable purposes under Title III of the Labor-Management Reporting and Disclosure Act of 1959 (LMRDA), 29 U.S.C. § 461-66, and the ATU Constitution and General Laws.

Title III of the LMRDA allows a trusteeship for the purpose of “correcting corruption or financial malpractice, assuring the performance of collective bargaining agreements or other duties of a bargaining representative, restoring democratic procedures, or otherwise carrying out the legitimate objects of a labor organization.” 29 U.S.C. § 462.

Section 12.6 of the ATU Constitution and General Laws prescribes the purposes for which the ATU may impose a trusteeship, including correcting corruption or financial malpractice, assuring the performance of collective bargaining agreements or other duties of a bargaining representative; restoring democratic procedures; restoring the effective functioning of the subordinate body; or otherwise carrying out the legitimate objectives of the ATU. The Trusteeship Report (Form LM-15) that the ATU submitted to the Department on February 22, 2021, states that the trusteeship was established and continued to assure the performance of collective bargaining agreements or other duties of a bargaining representative, and to restore democratic procedures.

The Department’s investigation corroborated the ATU’s findings that Local 998 failed to adequately perform its responsibilities under the collective bargaining agreements. Local 998 did not timely open contract negotiations with the Waukesha and Kenosha bus systems for two consecutive years. In addition, the Waukesha members did not

receive a pay raise or a bonus for one year. In fact, some members believed that they were not being adequately represented by Local 998 and, as a result, discussed the possibility of seceding from the local. After Local 998 was placed under a trusteeship, the ATU was able to negotiate new contracts with the Waukesha and Kenosha bus systems. On these facts, the trusteeship was established for an allowable purpose under the LMRDA. 29 U.S.C. § 462.

In addition, the Department's investigation corroborated the ATU's findings that democratic procedures were lacking in Local 998. The investigation found that there had been a breakdown in relationships among the Local 998 officers, which culminated in a union official physically assaulting another union official at the union office on November 6, 2020. As a result, the union official who committed the assault received a citation from the police department for adult assault and battery and was fined \$376.00. The investigation also found that there were arguments among union officials at the union office almost daily that included profanity, physical threats of violence, and homophobic and pejorative epithets. This acrimonious behavior carried over into the executive board meetings. As a result, some union officials believed that such meetings were poorly conducted and that the executive board was unable to effectively accomplish union business during the meetings. On these facts, the trusteeship was established for an allowable purpose under the LMRDA. 29 U.S.C. § 462.

The Department's investigation also found that the trusteeship was imposed in conformity with the procedural requirements of the ATU Constitution and General Laws, and authorized after a fair hearing. A trusteeship established by a labor organization in conformity with the procedural requirements of its constitution and bylaws and authorized or ratified after a fair hearing is presumed valid for eighteen months from the date of its establishment. 29 U.S.C. § 464(c). The trusteeship is not subject to attack during such period except by clear and convincing proof that the trusteeship was not established or maintained in good faith for a purpose allowable under Section 302 of the LMRDA. 29 U.S.C. § 464(c).

Section 12.6 of the ATU Constitution and General Laws prescribes the procedural requirements for establishing a trusteeship. This provision reads, in relevant part,

Within thirty (30) days following the imposition of a temporary trusteeship, a hearing shall commence to determine whether the trusteeship is justified and shall continue . . . The hearing officer shall submit his or her findings and recommendations to the [General Executive Board (GEB)] . . . Within forty-five (45) days from the date the hearing closes, the GEB shall issue its decision and order. Such decision and order shall be sent to the subordinate body and made available to its members.

This provision also provides,

Adequate notice of the time, place, and subject of the hearing shall be sent . . . to the officers of the subordinate body and made available to its members by posting at appropriate locations. The subordinate body shall . . . have the right to examine and cross-examine witnesses, present other evidence, and argue the case for or against trusteeship. . . . Members shall have a right to testify, . . . participate in the examination and cross-examination of witnesses, the presentation of other evidence, and the argument.

Consistent with his authority under Section 12.6 of the ATU Constitution and General Laws, on November 30, 2020, the ATU President placed Local 998 in a temporary trusteeship. The Local 998 officers were informed of the trusteeship by letter dated November 30, 2020. By letter dated December 24, 2020, the Local 998 officers were notified of the date, time, and place of the hearing on the trusteeship. The December 24 letter indicated that the first session of the hearing was scheduled for December 30, 2020 and the second session of the hearing was scheduled for January 11, 2021. The notice stated that the first session would consist of opening statements and the submission of certain exhibits and that the second session would consist of witness testimony and the submission of additional exhibits. The notice further stated that the officers and the members of Local 998 could attend the sessions in person at the union hall or virtually through Zoom. The Zoom links for both sessions were included in the notice. According to the Local 998 chief steward, notice of the hearing was posted in work facilities employing Local 998 members.

As scheduled, the first session of the hearing was held on December 30, which was within the 30 days following the imposition of the November 30 trusteeship, as required by Section 12.6 of the ATU Constitution and General Laws. The second session of the hearing was held on January 11. During this session, members and officers were afforded the opportunity to participate in the examination and cross-examination of witnesses, testify, and present evidence. In addition, by letter dated January 11, 2021, the membership was notified that any member in good standing could submit a written statement to the hearing officer regarding the imposition of the trusteeship. In response to that letter, Local 998 members and officers submitted written statements to the hearing officer opposing or supporting the trusteeship. The complainant submitted five such statements opposing the trusteeship.

On February 23, 2021, the hearing officer submitted his ruling to the General Executive Board (GEB) recommending that the trusteeship be continued. On February 24, 2021, the GEB issued an order adopting the hearing officer's recommendation to continue the trusteeship, which was within the 45 days after the close of the January 11 hearing. By letter dated March 1, 2021, the GEB notified Local 998 of the GEB's decision to continue the trusteeship. The decision was made available to the membership. Thus, the trusteeship was imposed in conformity with the procedural requirements of the ATU Constitution and General Laws, and authorized after a fair hearing, as required by Section 304(c) of the LMRDA, 29 U.S.C. § 464(c).

Finally, the complainant alleged that the ATU failed to conduct a "deeper investigation" to understand the conflict within the local. However, officers and members provided

testimony and written statements to the ATU during its internal investigation and the January 11 trusteeship hearing corroborating that the environment within the union was “toxic” in that union officials had engaged in bullying or physical threats of violence against each other or members as far back as 2017. The internal investigation also showed that a union official had intentionally destroyed union property.

Accordingly, the trusteeship was imposed in accordance with the requirements of the ATU Constitution and General Laws, for an allowable purpose, and was authorized after a fair hearing. Therefore, the trusteeship will be presumed valid for a period of eighteen months from its imposition.

For the reasons stated above, there was no violation of the LMRDA regarding the imposition of the trusteeship. Accordingly, we have closed the file in this matter.



October 7, 2021

[Redacted]

Dear [Redacted]:

This is to advise you of the disposition of a complaint filed with the Secretary of Labor alleging that violations of Title III of the Labor-Management Reporting and Disclosure Act of 1959 (LMRDA), occurred with respect to the imposition of a trusteeship by Amalgamated Transit Union (ATU) over ATU Local 998 in Milwaukee, Wisconsin.

Pursuant to Sections 340 and 601 of the LMRDA, an investigation was conducted by the Office of Labor-Management Standards. After carefully reviewing the investigative findings, and after consulting with the Solicitor of Labor, we have determined that legal action is not warranted in this case. We are therefore, closing our file as of this date. The basis for this decision is set forth in the enclosed Statement of Reasons.

Sincerely,

[Redacted]

Tracy L. Shanker
Chief, Division of Enforcement

Enclosure

cc: [Redacted], Associate Solicitor
Civil Rights and Labor-Management Division



October 7, 2021

[REDACTED]

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[REDACTED]

Tracy L. Shanker
Chief, Division of Enforcement

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cc: [REDACTED], Associate Solicitor
Civil Rights and Labor-Management Division



October 7, 2021

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[Redacted Signature]

Tracy L. Shanker
Chief, Division of Enforcement

Enclosure

cc: [Redacted], Associate Solicitor
Civil Rights and Labor-Management Division