## **U.S. Department of Labor**

Office of Labor-Management Standards Division of Enforcement Washington, DC 20210 (202) 693-0143 Fax: (202) 693-1343



November 2, 2016



This Statement of Reasons is in response to your January 22, 2016 complaint filed with the United States Department of Labor (Department) alleging that violations of Title IV of the Labor-Management Reporting and Disclosure Act of 1959 (LMRDA), 29 U.S.C. §§ 481-484, occurred in connection with the election of officers, board members, and delegates of the International Alliance of Theatrical Stage Employees, Moving Picture Technicians, Artists and Allied Crafts (IATSE) Local 871 on December 5, 2015.

The Department conducted an investigation of your allegations. As a result of the investigation, the Department has concluded, with respect to each of your allegations, that no violation occurred which may have affected the outcome of the election.

You allege that IATSE Local 871's ("Local 871" or "the Local") business representative, Leslie Simon, used union funds to take members out to lunches, during which she encouraged them to run for union office, and that these members were ultimately elected to positions with the union. In your internal union protest, you identified eighteen specific individuals with whom you believed had such lunches.

Section 401(g) of the LMRDA prohibits unions from using union funds to promote the candidacy of any person. 29 U.S.C. § 481(g). The investigation revealed that had lunch meetings with three individuals, not eighteen, at which she discussed the election. Though did discuss the election with those three members, the investigation revealed that two of them were not yet seeking office when they had lunch with and the other member was never a candidate for office. The merely suggested to each of the three members that they consider running for office as a means of increasing their involvement in the union. The investigation showed that the most recent of these lunch meetings took place in February 2015, which was more than six months before the election process even began. There was no evidence of union money being used to promote the candidacies of these individuals in preference to others once they became candidates.

Moreover, the investigation revealed that the principal purpose of meetings with each of the three members was to discuss other union business—a rally, contract negotiations, and increasing member involvement in the union—and that only mentioned the election in passing. Since discussion of the election was incidental to the lawful purposes of her lunch meetings, union-paid lunches with these members did not violate Section 401(g).

For the reasons set forth above, the Department has concluded that no violation of the LMRDA occurred that may have affected the outcome of the election. Accordingly, I have closed the file on this matter.

Sincerely,



Sharon Hanley, Chief Division of Enforcement

cc: Matthew D. Loeb, President
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