



June 9, 2017



Dear [REDACTED]

This Statement of Reasons is in response to your complaint filed on February 12, 2017, with the Department of Labor alleging that a violation of Title IV of the Labor-Management Reporting and Disclosure Act of 1959 (LMRDA) occurred in connection with the election of officers conducted by the International Brotherhood of Teamsters, Local 630 (Local 630) on December 7, 2015.

The Department of Labor (Department) conducted an investigation of your allegation. As a result of the investigation, the Department has concluded that there was no violation of the LMRDA that may have affected the outcome of the election.

You alleged that Local 630 failed to count 180 ballots from members employed by either Vons or Unified Western Grocers. These members used an employer-affiliated credit union's bill pay service to pay their dues, and their dues were sent late by the credit union. You take the position that the credit union's tardy payment of the dues should not have been attributed to the member, and these members should have been deemed eligible to vote. Section 401(e) of the LMRDA provides that every member in good standing shall have the right to vote for and support the candidate of his or her choice. It further provides that no member whose dues have been withheld by the employer for payment to the local pursuant to the voluntary authorization provided for in a collective bargaining agreement (CBA) shall be declared ineligible to vote or to be a candidate for office by reason of alleged delay or default in the payment of dues.

The OLMS investigation determined that there were 95 challenged ballots in the election. Only eight of the 95 ballots were from members employed by Vons or Unified Western Grocers who paid their dues using the credit unions' employer-affiliated bill-pay service. Four of the eight members were contacted and confirmed that they paid their dues through the credit unions' bill pay service. The Department's investigation further established that these eight members' November dues were not received timely by Local 630 to make them eligible to vote in the December 2015 election. Article X, Section 5(c) of the IBT Constitution provides that all members paying dues to the local


must pay them on or before the last business day of the current month. The investigation revealed that, applying this provision, members had to pay their November dues by the last day in November to vote in the December 7, 2015 election.

The investigation revealed that there is no dues check off or formal agreement between the employer-affiliated credit unions and Local 630 for dues to be deducted from members' accounts and remitted to the union. The credit unions are not parties to the CBA. Thus, although the credit unions are employer-affiliated, late payments by the credit unions to the union do not implicate the CBA provision regarding withholding of dues by the employer. Consequently, section 401(e) regarding late remission of dues check-off payments is inapplicable here. Moreover, the investigation did not reveal any evidence that any members employed by Vons and Unified Western Grocer were led to believe that the credit unions' bill-pay service was the same as a statutorily agreed upon dues checkoff system. The affected members interviewed by the Department stated that they understood the difference between dues checkoff and the bill-pay service. Members at Vons and Unified Western Grocers had the option of paying their dues directly to the local by cash, check or credit card.

Inasmuch as these eight members did not qualify for the exception forgiving late payment through an authorized checkoff system, they did not pay their dues in a timely manner, and they were not eligible to vote in the December 7, 2015 election. There is no indication that any member was denied the right to vote in violation of the Act.

For the reasons set forth above, the Department has concluded that there was no violation of Title IV of the LMRDA that may have affected the outcome of the election, and I have closed the file regarding this allegation.

Sincerely,



Sharon Hanley
Chief, Division of Enforcement

cc: James Hoffa, General President
International Brotherhood of Teamsters
25 Louisiana Avenue, N.W.
Washington, D.C. 20001

Lou Villalvazo, Secretary-Treasurer
Teamsters Local 630
750 S. Stanford Avenue
Los Angeles, CA 90021

Beverly Dankowitz Associate Solicitor
Civil Rights and Labor-Management Division