Statement of Reasons Dismissing a Complaint Concerning the Trusteeship Imposed Over the Southwest Regional Council of Carpenters By the United Brotherhood of Carpenters

This Statement of Reasons is in response to an August 14, 2015 complaint filed with the United States Department of Labor alleging that the trusteeship imposed by the United Brotherhood of Carpenters (UBC), upon the Southwest Regional Council of Carpenters (SWRCC) violated Title III of the Labor-Management Reporting and Disclosure Act of 1959 (LMRDA or Act), 29 U.S.C. §§ 461-466. The complaint is dismissed for the following reason.

The Department of Labor investigation established that the UBC imposed a trusteeship on SWRCC on July 19, 2013 because of financial irregularities and financial malpractice. Subsequently, on September 11, 2013, UBC Vice President Doug Banes notified SWRCC members of the trusteeship hearing, which was held October 16-18, 2013. The UBC-appointed Hearing Committee heard testimony of more than 20 witnesses which supported imposition of the trusteeship. On October 24, 2013, the Hearing Committee issued its report and recommendation to the UBC, stating that a continued trusteeship was necessary to correct financial malpractice and to restore democratic procedures.

The Department's investigation found that SWRCC conducted a new officer election, supervised by the UBC, on August 20, 2016. Following that election and installation of the newly-elected officers, the UBC lifted the trusteeship over SWRCC, effective August 20, 2016.

In August 2016, the UBC filed Form LM-16 with the Department, confirming that the trusteeship was terminated and that autonomy had been fully restored to the SWRCC. Because the trusteeship has been lifted, the allegations are moot.

Accordingly, the office has closed the file in this matter.

U.S. Department of Labor

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



March 24, 2017



Dear

This is to advise you of the disposition of your complaint filed with the Secretary of Labor alleging that violations of Section 302 of the Labor-Management Reporting and Disclosure Act of 1959 (LMRDA) occurred with respect to the imposition of a trusteeship by the United Brotherhood of Carpenters over its affiliated Southwest Regional Council of Carpenters, located in Los Angeles, California.

Pursuant to Sections 304 and 601 of the LMRDA, the Office of Labor-Management Standards conducted an investigation. After carefully reviewing the investigative findings, and after consulting with the Office of the Solicitor, Division for Civil Rights and Labor-Management, we have determined that legal action is not warranted in this trusteeship 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,

Sharon Hanley Chief, Division of Enforcement

Enclosure

U.S. Department of Labor

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



March 24, 2017

Mr. Douglas McCarron, General President United Brotherhood of Carpenters 101 Constitution Avenue, N.W. Washington, DC 20001

Dear Mr. McCarron:

This is to advise you of the disposition of a complaint filed with the Secretary of Labor alleging that violations of Section 302 of the Labor-Management Reporting and Disclosure Act of 1959 (LMRDA) occurred with respect to the imposition of a trusteeship by the United Brotherhood of Carpenters over its affiliated Southwest Regional Council of Carpenters, located in Los Angeles, California.

Pursuant to Sections 304 and 601 of the LMRDA, the Office of Labor-Management Standards conducted an investigation. After carefully reviewing the investigative findings, and after consulting with the Office of the Solicitor, Division for Civil Rights and Labor-Management, we have determined that legal action is not warranted in this trusteeship 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,



Sharon Hanley Chief, Division of Enforcement

cc: Dan Langford, President Southwest Regional Council of Carpenters 533 South Fremont Avenue, 10th Floor Los Angeles, California 90071

> John T. DeCarlo, Counsel By email only to <u>idecarlo@deconsel.com</u>