

Statement of Reasons
Dismissing the Complaint Concerning
a Trusteeship Imposed by Bakery, Confectionery,
Tobacco Workers and Grain Millers International Union
over its affiliate, Local 300, in Chicago, Illinois

This Statement of Reasons is in response to a September 6, 2017 complaint filed with the U.S. Department of Labor. The complaint alleged that the trusteeship imposed by the Bakery, Confectionery, Tobacco Workers and Grain Millers (BCTGM) International Union (International) upon its affiliate, Local 300, violated Title III of the Labor-Management Reporting and Disclosure Act of 1959 (the Act or LMRDA), 29 U.S.C. §§ 461-466. Specifically, the complaint alleged that the trusteeship was improperly imposed because it was neither established in good faith for an allowable purpose nor in accordance with the International's Constitution. For the following reasons, the complaint is dismissed.

Section 302 of the LMRDA allows trusteeships 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 such labor organization." A trusteeship established by a parent body for a valid purpose, in conformity with the procedural requirements of its constitution and bylaws, is presumed valid for eighteen months from the date of its establishment and 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).

Local 300 was placed in trusteeship on June 13, 2017. The Department's investigation established that the International imposed the trusteeship for an allowable purpose. On the Form LM-15 Trusteeship Report filed by the International on July 11, 2017, the union indicated that the reason it established the trusteeship over Local 300 was "to restore democratic procedures" and "to carry out the legitimate objectives of Local 300." The form noted that members' rights were violated because Local 300's January 2017 officer election did not include all officer positions, and the Local failed to amend its bylaws and rerun the election in accordance with the local bylaws as directed by the International. Specifically, the notice of nominations and election for Local 300's January 2017 officer election indicated that the president position was part time, although the existing Local 300 bylaws listed the position as a "full time" officer. Local 300 also failed to properly amend its bylaws to change the president position to part time when it failed to: 1) form a Bylaws Committee as required by Article XXI of the Local 300 Bylaws, and 2) submit a bylaw amendment to the International President for approval as required by Article XVI, Section 5 of the International's Constitution.

The Department's investigation also determined that the trusteeship was imposed in accordance with the International's constitution and bylaws. Article XXII, Section 5 of the International's constitution requires the International President to obtain the International's General Executive Board's approval in order to: 1) appoint a Special Trustee, and 2) appoint a Trusteeship Hearing Officer to hold a hearing between ten and thirty days after the appointment to determine if a trusteeship is required. Section 5(e) further provides that if the Trusteeship Hearing Officer finds that trusteeship is required, the General Executive Board's appointment of the Special Trustee will be affirmed.

The Department's investigation confirmed that on June 9, 2017, the International General Executive Board voted to place Local 300 into trusteeship. On June 12, 2017, International President David Durkee appointed Ron Baker as Special Trustee. After a June 27, 2017 notice of a trusteeship hearing was mailed to the Local 300 membership, a hearing was held on July 12, 2017 with an officer from Local 42 appointed Trusteeship Hearing Officer. At the hearing, about twenty members and officers of Local 300 were afforded the opportunity to, and did, present evidence, ask questions, and make statements. On July 14, 2017, the Trusteeship Hearing Officer issued his decision in which he concluded that the trusteeship was required for the reasons outlined in the trusteeship documents. The hearing also disclosed that Local 300 officers had not brought or properly handled grievances pursuant to the collective bargaining agreement. On July 19, 2017, the International's General Executive Board affirmed the Trusteeship Hearing Officer's decision to continue the trusteeship.

The Department has concluded that the trusteeship was imposed in accordance with the constitution and bylaws for an allowable purpose under Title III of the LMRDA and was ratified after a fair hearing. For the reasons set forth above, the file on this matter is closed.



April 13, 2018

[REDACTED]
[REDACTED]
[REDACTED]

Dear [REDACTED]:

This is to advise you of the disposition of your complaint filed with the Secretary of Labor alleging that violations of Title III of the Labor-Management Reporting and Disclosure Act of 1959 occurred with respect to a trusteeship imposed by the Bakery, Confectionery, Tobacco Workers and Grain Millers International Union over its affiliate, Local 300, located in Chicago, Illinois.

The Department's Office of Labor-Management Standards investigated your complaint. After carefully reviewing the investigative findings, 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]

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



April 13, 2018

Mr. David B. Durkee, International President
Bakery, Confectionery, Tobacco Workers and
Grain Millers International Union
10401 Connecticut Avenue
Kensington, Maryland 20895

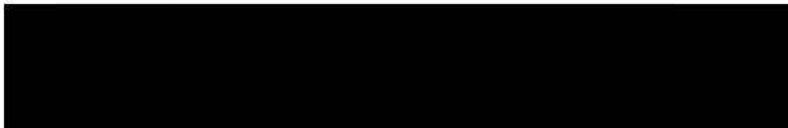
Dear Mr. Durkee:

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 occurred with respect to a trusteeship imposed by the Bakery, Confectionery, Tobacco Workers, and Grain Millers International Union, over its affiliate, Local 300, located in Chicago, Illinois.

The Department's Office of Labor-Management Standards investigated the complaint. After carefully reviewing the investigative findings, 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,



Sharon Hanley
Chief, Division of Enforcement

Enclosure