

Statement of Reasons  
Dismissing a Complaint  
Alleging International Brotherhood of Teamsters  
Improperly Continued its Trusteeship over  
Local 710

The Department of Labor (Department) received a complaint on February 15, 2017, challenging the continuation of a trusteeship imposed by the International Brotherhood of Teamsters (International) on its subordinate body, Local 710 (local or Local 710), on July 30, 2014. The complainant alleged that although the initial trusteeship was validly imposed, its continuation beyond the 18-month presumption of validity violated Section 304 of the Labor-Management Reporting and Disclosure Act of 1959 (LMRDA), 29 U.S.C. § 464.

Section 304 provides, in relevant part, that a trusteeship which continues after the expiration of eighteen months shall be presumed invalid and its discontinuance shall be decreed unless the labor organization shows by clear and convincing proof that the trusteeship's continuation is necessary for a purpose allowable under section 302. Section 302 authorizes the imposition of trusteeship over a subordinate body for the purpose of correcting corruption or financial malpractice, assuring performance of a collective bargaining agreement or other duties of bargaining representative, restoring democratic procedures, or otherwise carrying out the legitimate objects of the parent body.

The Department's investigation confirmed that the International imposed a trusteeship over Local 710 on July 30, 2014, for a purpose allowable under section 302. Specifically, the investigation revealed that an internal union audit found \$58,000 in union funds disbursed without obtaining executive board approval and without any record of such expenditures. Based on these findings, the trusteeship was imposed for an allowable purpose under Section 302 and its imposition was presumed valid until January 30, 2016, the expiration of the 18-month presumption of validity. However, the International extended the trusteeship every six months thereafter.

Having investigated the complaint, the Department issued a letter to the International, dated October 3, 2017, demanding that it lift the trusteeship or present clear and convincing proof that the trusteeship's continuation is necessary for a purpose allowable under section 302. The International responded that it was in the process of holding an election for Local 710 that would have the effect of removing the trusteeship.

The Department's investigation disclosed that Local 710 held its officer election on October 31, 2017. The newly elected officers were installed on January 1, 2018, restoring full autonomy to the local. The International filed with the Department an LM-16 Terminal Trusteeship Report which officially terminated the trusteeship.

For the reasons set forth above, the Department has concluded that no further action is required. Accordingly, the complaint is dismissed.



April 4, 2018

[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 (LMRDA), occurred with respect to a trusteeship imposed by the International Brotherhood of Teamsters over Local 710 in Mokena, Illinois.

An investigation was conducted by the OLMS. 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

cc: Beverly Dankowitz, Acting Associate Solicitor  
Civil Rights Labor Management Division



April 4, 2018

Mr. James P. Hoffa, General President  
International Brotherhood of Teamsters  
25 Louisiana Avenue, NW  
Washington, DC 20001

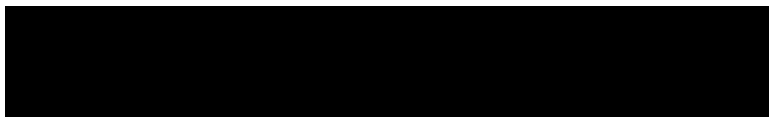
Dear Mr. Hoffa:

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 the International Brotherhood of Teamsters (IBT) over IBT Local 710 in Mokena, Illinois.

Pursuant to Section 304 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,



Sharon Hanley  
Chief, Division of Enforcement

cc: Beverly Dankowitz, Acting Associate Solicitor  
Civil Rights Labor Management Division