

Statement of Reasons
For Dismissing a Complaint
Alleging the Improper Imposition of a Trusteeship on
Local 1694-1 by the International Longshoremen's Association

This Statement of Reasons is in response to an October 25, 2017, complaint filed with the United States Department of Labor (the Department) by a member in good standing alleging that the trusteeship imposed by International Longshoremen's Association (ILA), upon the Local 1694-1 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 reasons.

The LMRDA permits a parent labor organization to impose a trusteeship on subordinate bodies 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. 29 U.S.C. § 462. A trusteeship established by a parent body in conformity with the procedural requirements of its constitution and bylaws and authorized or ratified after a fair hearing is presumed valid for eighteen months from the date of its establishment and is not subject to attack during this 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 Act. 29 U.S.C. § 464(c). Once this period of eighteen months has expired, a trusteeship is presumed invalid unless clear and convincing proof is provided that continuation of the trusteeship is necessary for a purpose allowable under the LMRDA. *Id.*

The Department's investigation established that the ILA followed the procedures of its constitution and bylaws in imposing the trusteeship: Local 1694-1 was provided with proper notice of the charges against the local and the trusteeship hearing. On January 27 and 28, 2016, the ILA held a hearing regarding the imposition of the trusteeship during which the local's officers were permitted to present evidence and cross-examine the witnesses testifying in support of the trusteeship. The evidence presented during the hearing revealed significant problems with the administration of Local 1694-1's collective bargaining agreement as it related to seniority. Specifically there was substantial evidence that the incumbent officers gave preference to favored members, effectively promoting them over more senior members, and that subsequently these officers failed to cooperate with the ILA's investigation of the seniority system. Accordingly, the Department's investigation determined that the trusteeship, imposed on Local 1694-1 on April 25, 2017, was established for a proper purpose and in conformity with the union's constitution and bylaws.

The Department's investigation further found that the ILA conducted a new election for officers of Local 1694-1 on January 26, 2018. Following the installation of the newly-elected officers, the ILA lifted the trusteeship over Local 1694-1, effective March 2, 2018. On June 4, 2018, the ILA filed Form LM-16 with the Department, confirming that the trusteeship was terminated and that autonomy had been fully restored to Local 1694-1. 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



August 29, 2019



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 the imposition of a trusteeship by the International Longshoremen's Association Local 1694-1 in Wilmington, Delaware.

Pursuant to Sections 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,



Brian A. Pifer
Chief, Division of Enforcement

Enclosure

cc: Claiborne S. Newlin, Esq.
Markowitz & Richmand
123 South Broad St., Ste. 2020
Philadelphia, PA 19109

Beverly Dankowitz, Associate Solicitor for Civil Rights and Labor-Management

U.S. Department of Labor

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



August 29, 2019

Mr. Harold J. Daggett, President
International Longshoremen's Association, AFL-CIO
5000 West Side Avenue
North Bergen, NJ 07047

Dear Mr. Daggett:

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 Longshoremen's Association Local 1694-1 in Wilmington, Delaware.

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Sincerely,

A black rectangular redaction box covering the signature of Brian A. Pifer.

Brian A. Pifer
Chief, Division of Enforcement

Enclosure

cc: Beverly Dankowitz, Associate Solicitor for Civil Rights and Labor-Management