



January 23, 2020

Statement of Reasons
For Dismissing a Complaint
Alleging the Improper Imposition of a Trusteeship
on Local 1422 by the International Longshoremen's Association

This Statement of Reasons is in response to an August 16, 2019 complaint filed with the United States Department of Labor (the Department) by a member in good standing alleging that the trusteeship imposed by the International Longshoremen's Association (ILA) upon Local 1422 violated Title III of the Labor Management Reporting and Disclosure Act of 1959 (LMRDA), 29 U.S.C. § 461–66. The complaint is dismissed for the reasons explained below.

The LMRDA states that 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. 29 U.S.C. § 464(c). It is not subject to attack during this period except by clear and convincing evidence that the trusteeship was not established or maintained in good faith for a purpose allowable under section 302 of the LMRDA. *Id.* A parent labor organization may impose a trusteeship on subordinate bodies for the following allowable purposes: (1) correcting corruption or financial malpractice, (2) assuring the performance of collective bargaining agreements or other duties of a bargaining representative, (3) restoring democratic procedures, or (4) otherwise carrying out the legitimate objects of such labor organization. 29 U.S.C. § 462. Once the period of eighteen months has expired, a trusteeship is presumed invalid unless clear and convincing evidence is provided that continuation of the trusteeship is necessary for a purpose allowable under the LMRDA. 29 U.S.C. § 464(c).

The Department's investigation established that the ILA followed the procedures of its constitution and bylaws in imposing the trusteeship. Article XXI, Section 2 of the ILA Constitution states that the International President, with or without a hearing but after an investigation, shall have the power to suspend the officers of the local and appoint a trustee to take charge and control of the subordinate body. If a trustee is appointed, charges against the local shall be filed with the International Secretary-Treasurer within fifteen days of the creation of the trusteeship. The charges are then heard and determined by the Executive Council.

On August 13, 2019, International Vice President [REDACTED] filed charges against Local 1422 following an investigation directed by the 2019 ILA Convention. [REDACTED] charges alleged the local was unable to conclude contract negotiations for its local agreement, experienced daily

labor shortages and could not meet contractual obligations, was unable to resolve issues related to training current longshore workers, was unable to have employers accept new additional workers, was unable to resolve issues related to hiring and training newly processed longshore workers, and was unable to resolve its need for a larger hiring hall with more parking space because of its dire financial conditions. Local 1422 officers were sent copies of the August 13, 2019 charges. On August 14, 2019, International President ██████████ placed Local 1422 under emergency trusteeship; that same day, ██████████ removed the Local 1422 officers and appointed International Vice President ██████████ as trustee. The ILA held a hearing addressing ██████████ charges on August 29, 2019, at which the complainant and Local 1422 officers were given an opportunity to present, examine, and cross-examine witnesses. At the hearing, all of the charges raised by ██████████ were found to have merit.

Pursuant to Article XXI, Section 2 of the ILA Constitution, charges were filed and a hearing was held within fifteen days of the creation of the trusteeship; thus, the ILA properly imposed a trusteeship upon Local 1422 in accordance with its constitution and bylaws. Additionally, the trusteeship was imposed for an allowable purpose under the LMRDA: to correct for financial mismanagement and to ensure the local performed according to its collective bargaining agreement and any duties therein. Given that the emergency trusteeship was imposed in accordance with the constitution and bylaws for an allowable purpose and was affirmed after a fair hearing, it is presumed valid for eighteen months from its imposition.

For the reasons stated above, there was no violation of the LMRDA in the imposition of the trusteeship. Accordingly, the office has closed the file in this matter.



January 23, 2020

[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 the imposition of a trusteeship by the International Longshoremen's Association (ILA) on ILA Local 1422 in Charleston, SC.

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,

[REDACTED]

Brian A. Pifer
Chief, Division of Enforcement

Enclosure

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



January 23, 2020


Mr. Harold Daggett, International President
International Longshoremen's Association
5000 West Side Avenue, Suite 100
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 (ILA) on ILA Local 1422 in Charleston, SC.

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: Mr. Virgil Maldonado, ILA Vice-President
1142 Morrison Drive
Charleston, SC 29403

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