



February 25, 2009



Dear [REDACTED]:

This Statement of Reasons is in response to the complaint that you filed with the U.S. Department of Labor on December 3, 2008, alleging that violations of Title IV of the Labor-Management Reporting and Disclosure Act of 1959, as amended (LMRDA), 29 U.S.C. §§ 481-484, occurred in connection with the election of officers of Local 550 ("the Local"), International Brotherhood of Teamsters ("Teamsters") completed on November 3, 2008.

The Department of Labor conducted an investigation of your allegations. As a result of the investigation, the Department of Labor has concluded, with respect to each of your specific allegations, that either no violation occurred or that there was no violation that may have affected the outcome of the election.

You allege that the Local improperly disqualified you from running for office because you failed to meet the dual eligibility requirements of continuous good standing and active employment in the craft. Article II, Section 4(a) of the Teamsters' Constitution states that to be eligible for election to any office in a Local Union, a member must be in continuous good standing in the Local Union and actively employed at the craft within the jurisdiction of such Local Union for twenty-four months prior to the nomination for office. In this case the twenty-four month period encompasses September 2006 to August 2008. Specifically, the Local determined that you had not maintained continuous good standing due to your failure to timely pay dues in September and October 2007, and that you were not considered "actively employed at the craft" because you were not actively employed, were no longer on workers compensation, and did not retain reemployment rights with your last employer due to your short tenure with your last employer. You contend that you were qualified to run for office because you had a verbal agreement with the Local for your dues to be deducted from your trustee stipend for September and October 2007, and your position as trustee satisfied the "actively employed at the craft" requirement.

Section 401(e) of the LMRDA provides, among other things, that every member in good standing shall be eligible to be a candidate and to hold office subject to "reasonable qualifications uniformly imposed." 29 U.S.C. § 481(e).

"Continuous good standing" based on punctual payment of dues is considered a reasonable qualification if it provides a reasonable grace period during which members may make up missed payments without the loss of eligibility for office and the period of time involved is reasonable. 29 C.F.R. § 452.34. Here, the local provided a reasonable grace period. Dues are to be paid by the first day of each month. However, a member is not delinquent in dues payment and maintains good standing if dues are paid by the last business day of the month. The Local's Bylaws, Article IV, Section 2 states: "A member shall lose his/her good standing membership in the organization by acceptance of a withdrawal card, by suspension or expulsion from membership after appropriate proceedings consistent with the Bylaws of the Constitution, or by nonpayment of dues before the last business day of the current month." Further Article VII, Section 2(b) states: "Payment of dues after their due date shall not restore good standing for such month or months in computing the continuous twenty-four (24) months good standing status required by this Section as a condition of eligibility for office."

The investigation disclosed that in August 2007, upon conclusion of a previous employer's obligation to pay your dues pursuant to a severance agreement, you became delinquent in your dues payments. You did not pay dues for September and October 2007 until November 29, 2007. Further, the investigation revealed that the verbal agreement to deduct the dues from your trustee stipend arose after you had already become delinquent for September and October. As you were delinquent in dues payments for September and October 2007, you did not meet the continuous good standing requirement to be eligible to run for office.

With respect to the "actively employed at the craft" requirement, under the Local's interpretation of its constitution, provided to the Department of Labor by Local Secretary-Treasurer Richard Volpe, part time work such as you performed as trustee by itself does not satisfy the working at the trade requirement. In any event, as a result of your failure to meet the continuous good standing requirement, one of the two eligibility requirements, even if your position as trustee was found to satisfy the "actively employed at the craft" requirement, you would not have been eligible to run for office.

For the reasons set forth above, it is concluded that the Department of Labor cannot bring an action under section 402 of the LMRDA, and I have closed the file in this matter.

Sincerely,

Patricia Fox
Acting Chief, Division of Enforcement

cc: James P. Hoffa, General President
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