



June 7, 2013

[REDACTED]

Dear [REDACTED]:

This Statement of Reasons is in response to your complaint filed with the U.S. Department of Labor on October 11, 2012, alleging that violations of Title IV of the Labor-Management Reporting and Disclosure Act of 1959 (LMRDA) occurred in connection with the election of officers of Local 721 Transport Workers Union of America (TWU) completed on June 1, 2012.

The Department of Labor conducted an investigation of your allegations. As a result of the investigation, the Department concluded, with respect to each of your allegations that no violation of the LMRDA occurred.

You alleged that the local permitted non-members to participate in the election. Specifically, you alleged that table dealers employed by Caesar's Palace Casino (CPC) were not members of Local 721 and therefore ineligible to run for office, hold office, or vote in the election. Section 401(e) of the LMRDA provides, in relevant part, that every member in good standing shall be eligible to vote, be a candidate, and to hold office (subject to reasonable qualifications that are uniformly imposed).

A condition of membership in TWU is the submission of an application to the local financial secretary-treasurer. Article XIII, Section 1, TWU International Constitution. In order to run for and hold office, members must be in continuous good standing for twelve months immediately preceding nominations. Article XV, Section 3. In order to vote, members must be in good standing. Article XIII, Section 3. However, "good standing" is not defined in either the International Constitution or the Local 721 Bylaws. Nevertheless, the International Constitution does define "bad standing" to mean a member's failure to pay dues on or before the fifteenth of each month. Article XIII, Section 3. Those who are in "bad standing" are ineligible to, among other things, be a candidate for or hold any union office or position, or to vote in any election. Article XIII, Section 4.

The local permitted any member to vote as long as he or she paid all dues owing for the twelve months preceding the May 1, 2012 nominations meeting, with the qualifying

period running from May 1, 2011 to May 1, 2012. Any delinquency in payment is a breach of continuous good standing, rendering the member ineligible to run for office.

Investigation disclosed that commencing in 2007, employees of CPC began submitting applications for membership to Local 721, even though the local did not have a collective bargaining agreement with that employer at that time. Prior to obtaining an agreement, these members maintained their good standing by voluntarily paying direct dues to the local. In August 2012, Local 721 negotiated a contract with CPC.

The investigation confirmed that all forty-four members of CPC who voted in the election met the member-in-continuous-good-standing criteria. All forty-four members had submitted membership applications either in 2010 or earlier and had continuously paid their dues for the twelve months preceding the May 1, 2012 nominations meeting, including the three CPC members who ran successfully for office. There was no violation.

You also alleged that you were not permitted to review Local 721's eligibility list, which you later clarified to mean the local's financial records, specifically dues receipts, to confirm voter eligibility of CPC members. Section 401(c) of the LMRDA provides, in relevant part, that every bona fide candidate shall have the right, once within 30 days prior to an election, to inspect a list containing the names and last known addresses of all members of the union. The investigation disclosed that you inspected the local's membership list after the nominations meeting. Title IV of the LMRDA does not require a union to provide candidates with its financial records. Further, you, as the former Local 721 Vice President, had access to the local's financial records prior to this election, records that included dues receipts from CPC members. There was no violation.

For the reasons set forth above, it is concluded that there was no violation of the LMRDA occurred, and I have closed the file in this matter.

Sincerely

Patricia Fox
Chief, Division of Enforcement

cc: James C. Little, International President
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