

Statement of Reasons  
Dismissing a Complaint  
Concerning the Imposition of a Trusteeship  
Over Local 1408 of the  
International Longshoremen's Association (ILA)  
in Jacksonville, Florida

A member in good standing of Local 1408 of the International Longshoremen's Association (ILA), Local 1408 filed a complaint with the U.S. Department of Labor on February 11, 2013, alleging that the ILA violated Title III of the Labor-Management Reporting and Disclosure Act of 1959 (LMRDA), 29 U.S.C. § 401, et seq., by imposing a trusteeship upon the Local. Specifically, the complaint alleged that the ILA did not follow the LMRDA or the procedures in the ILA constitution when it imposed the trusteeship. For the following reasons, the complaint is dismissed.

Title III of the LMRDA permits parent labor organizations to impose a trusteeship on subordinate bodies for the purposes 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. A trusteeship imposed 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 such 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).

Article XXI, Section 1 of the ILA constitution provides that trusteeships over local unions shall be established for one or more of the following purposes: (1) to correct corruption, (2) to correct financial malpractice, (3) to assure the performance of collective bargaining agreements, (4) to assure the performance of the duties of the collective bargaining representative, (5) to restore democratic procedures, or (6) otherwise to carry out the object and purposes of the ILA. Article XXI, Section 2, provides that the ILA President, with or without a hearing but after an investigation, has the power, with the approval of the Executive Council, to appoint a trustee or trustees to take charge and control of the books, records, property, assets, funds and affairs of such subordinate body.

The investigation found that on August 2, 2012, ILA President Daggett directed ILA Vice President Charles Spencer to conduct an investigation of the Local to determine whether grounds existed for the imposition of the a trusteeship. Spencer reported to President Daggett on the results of his investigation and recommended the trusteeship by letter dated August 15, 2011. By letter dated September 12, 2012, President Daggett directed the ILA Hearing Committee to hold a hearing to determine whether a trusteeship ought to be imposed on Local 1408 in accordance with Article XXI of the ILA Constitution.

The Committee Chairman, Louis Pernice, notified all interested parties of the hearing. The Committee conducted a hearing in Jacksonville, Florida on December 18, 2012. On January 24, 2013, the Committee issued its Report and Recommendation. The Committee found that (1) the Local may not have been in compliance with a settlement agreement it had entered into to

resolve a class action sexual discrimination and sexual harassment lawsuit; (2) the Local improperly issued a payment to an executive board member without authorization from the membership; and (3) the Local attempted to revoke the seniority of a member for political reasons.

The Committee recommended that the ILA impose a trusteeship over the Local to (1) insure that Local is in compliance with its settlement agreement as well as all state and federal labor laws, (b) insure that the Local's finances are being properly managed, and (c) insure that the Local is in compliance with all aspects of the ILA Constitution and all directives of the International. By letter dated January, 29, 2013, President Daggett informed the Local Executive Board that based on the Report and Recommendation, the ILA Executive Council voted to impose a trusteeship on the Local and appointed ILA Vice President James Campbell to be Trustee. Trustee Campbell assumed his duties on February 4, 2013.

The evidence establishes that the imposition of the trusteeship is supported by purposes consistent with the statutory standards, including correcting financial malpractice and assuring the performance of collective bargaining agreements or other duties of a bargaining representative. Further, the ILA followed its constitutional procedures for establishing the trusteeship and held a hearing to ratify the trusteeship. There was no violation of the LMRDA. Accordingly, we are closing our file on this matter.



October 31, 2013

Mr. Harold J. Daggett, 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 trusteeship imposed by International Longshoremen's Association (ILA) over Local 1408 in Jacksonville, Florida.

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,

Patricia Fox  
Chief, Division of Enforcement

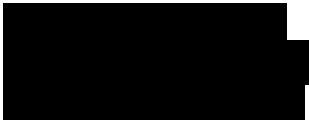
cc: Christopher Wilkinson, Associate Solicitor for Civil Rights and Labor-Management

**U.S. Department of Labor**

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



October 31, 2013



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