



June 22, 2010

[REDACTED]

Dear [REDACTED]:

This Statement of Reasons is in response to your complaint filed with the Department of Labor on April 1, 2010. In the complaint, you alleged that a provision of the 2005 merger agreement between the United Steelworkers International Union and the Paper, Allied-Chemical and Energy Workers International Union (PACE) operated in such a manner that it violated Title IV of the Labor-Management Reporting and Disclosure Act of 1959 (Act), 29 U.S.C. §§ 481-484.

The Department of Labor conducted an investigation of your allegation. As a result of the investigation, the Department has concluded, with respect to your specific allegation, that there is no violation of the Act for which remedial action is available. Following is an explanation of this finding.

In your complaint and during the investigation you expressly stated that you are not challenging the November 2009 election of officers conducted by the United Steelworkers International Union. You specifically alleged that Article III of the 2005 merger agreement between the United Steelworkers and PACE unlawfully extended the term of office for the PACE officers. You contended that, as a result, such officers served a seven year term in office from 2003 to 2010, in violation of the Act. Your allegation was substantiated by the investigation.

Section 401(a) of the Act, 29 U.S.C. § 481(a), requires "every national and international labor organization . . . [to] elect its officers not less often than once every five years." *See* 29 U.S.C. § 481(a); 29 C.F.R. § 452.23. The Department's investigation disclosed that, prior to 2005, PACE was an international union and, thus, was required under the Act to conduct its election of union officers at least once every five years. The investigation disclosed that the PACE officers were last elected in 2003 to a four year term of office, to expire in 2007. However, the 2005 merger agreement changed the length of the term of office for the PACE officers from four years, 2003 to 2007, to seven years, from 2003 to February 28, 2010. Thus, the Act was violated in that the term of office for such officers was extended beyond the statutory period permissible under section 401(a) of the Act.

However, pursuant to the merger agreement, PACE has been dissolved as a labor organization, for purposes of the Act, and merged into the United Steelworkers as an integral part of that union. Thus, PACE no longer exists as a "labor organization," within the meaning of the Act. *See* 29 U.S.C. § 402(i); 29 C.F.R. §§ 451.2-4. Under these circumstances, there is no violation of the Act for which remedial action is available.

For the reasons set forth above, it is concluded that no violation of the Act occurred that warrants remedial action in this case, and I have closed the file on this matter.

Sincerely,

Patricia Fox
Acting Chief, Division of Enforcement

cc: Mr. Leo Gerard, International President
United Steelworkers
Five Gateway Center
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Katherine Bissell, Associate Solicitor for Civil Rights and Labor-Management