



December 2, 2011

[REDACTED]

Dear [REDACTED] and [REDACTED]:

This is to advise you of the disposition of your complaint filed with the Secretary of Labor alleging a violation of Title III of the Labor-Management Reporting and Disclosure Act of 1959 (LMRDA) with respect to the trusteeship imposed by the United Brotherhood of Carpenters over the District Council of New York City and Vicinity of the United Brotherhood of Carpenters.

Pursuant to Sections 304 and 601 of the LMRDA, an investigation was conducted by the Office of Labor-Management Standards. Following a review of the investigative findings by this office and the Office of the Solicitor, Division for Civil Rights and Labor-Management, a decision has been made that those findings do not provide a basis for further action by the Department.

A statement of reasons setting forth the basis for this decision is enclosed.

Sincerely,

Patricia Fox
Chief, Division of Enforcement
Enclosure

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



December 2, 2011

[REDACTED]
Review Officer
Fitzmaurice & Walsh, LLP
15 Chester Avenue
White Plains, New York, 10601

Dear [REDACTED]

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Patricia Fox
Chief, Division of Enforcement

Enclosure

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

Mr. Benjamin H. Torrance
Assistant United States Attorney
Southern District of New York
86 Chambers Street
New York, New York 10007



December 2, 2011

Mr. Douglas J. McCarron, General President
United Brotherhood of Carpenters
101 Constitution Ave., NW
Washington, DC 20001-2192

Dear Mr. McCarron:

This is to advise you of the disposition of the complaint filed with the Secretary of Labor alleging a violation of Title III of the Labor-Management Reporting and Disclosure Act of 1959 (LMRDA) with respect to the trusteeship imposed by the United Brotherhood of Carpenters over the District Council of New York City and Vicinity of the United Brotherhood of Carpenters.

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Patricia Fox
Chief, Division of Enforcement

Enclosure

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

Statement of Reasons for Dismissing a Complaint
Alleging United Brotherhood of Carpenters and Joiners of America
Improperly Continued a Trusteeship in Excess of Eighteen Months on its Subordinate
Carpenters New York City District Council

On May 9, 2011, a complaint was filed with the Secretary of Labor alleging that the United Brotherhood of Carpenters and Joiners of America (International) violated Title III of the Labor-Management Reporting and Disclosure Act of 1959 (LMRDA), 29 U.S.C. §§ 461-466, when it continued its trusteeship over Carpenters New York City District Council (Council), a subordinate body, beyond eighteen months from the imposition of the trusteeship on August 10, 2009, without clear and convincing proof that the trusteeship was being maintained for a purpose allowable under section 302 of the LMRDA. 29 U.S.C. § 462.

Under section 304(c) of the LMRDA, a trusteeship established by a parent body in conformity with the procedural requirements of its constitution and bylaws and for a purpose set forth in section 302 is presumed valid for eighteen months from the date of its establishment and is not subject to attack during that period. 29 U.S.C. § 464(c). Section 304(c) further provides that, after the expiration of eighteen months, a trusteeship will be presumed invalid and its discontinuance shall be decreed unless the labor organization shows by clear and convincing proof that the continuation of the trusteeship is necessary for a purpose allowable under section 302. 29 U.S.C. § 464(c). Section 302 of the LMRDA permits a parent union to impose a trusteeship over a subordinate for the purposes of, among other things, correcting corruption or financial malpractice, restoring democratic procedures, or otherwise carrying out the legitimate objects of the union.

The investigation disclosed that the Council has been under a Consent Decree, imposed by the United States District Court for the Southern District of New York, since March 4, 1994, in connection with the civil remedies provisions of the Racketeer Influenced and Corrupt Organization Act, 18 U.S.C. §§ 1961 *et seq.* The Consent Decree included the appointment of an Investigations and Review Officer (IRO), whose authority over the District Council and its constituent locals was broad. In an order dated June 3, 2010, the Court appointed a Review Officer with expanded authority to investigate the operations of the District Council and its Benefit Funds, including, but not limited to, allegations of corruption and wrongdoing by officers, representatives, agents, employees, members, and trustees, and to bring disciplinary charges against any of those individuals, and to supervise any election held by the District Council.

There are a variety of factors that justify the continuation of the trusteeship. The Review Officer, in his interview with the Department, stated that there is an ongoing process to finalize proposed District Council Bylaws, prior to an election for Council officers scheduled for December 2011. At the time of the investigation, the proposed

Council Bylaws had been posted on the Council's website and were subject to a comment period that had not yet expired at the time of the Department's investigation. An election would need to be held before the trusteeship can be lifted. The date of the election could not be advanced, because the bylaws necessary to run the election were not in effect. Further, there are not sufficient elected officers available to operate the Council under the jurisdiction of the Review Officer. The Review Officer informed the Department that the president, financial secretary-treasurer, and vice president have either been incarcerated or retired. In addition, the Review Officer has removed the Director of Operations and most of the Council's business representatives. There is a new Human Relations Department that has hired twenty-five new business representatives through a competitive hiring process.

The Review Officer takes the position that it is necessary for the International to continue its trusteeship over the Council to oversee and operate its day-to-day affairs. Given the circumstances described above, the Secretary finds there is clear and convincing proof that the continuation of the International's trusteeship beyond the eighteen months from its imposition over the Council is necessary to correct corruption, restore democratic procedures, and otherwise carry out the legitimate objects of the labor organization.

For the reasons set forth above, the Department has concluded that there was no violation of Title III of the Act, and the complaint is dismissed.