

OFFICE OF THE ELECTION OFFICER % INTERNATIONAL BROTHERHOOD OF TEAMSTERS 25 Louisiana Avenue, NW Washington, DC 20001

fichael H. Holland Election Officer (202) 624-8778 1-800-828-6496 Fax (202) 624-8792

October 23, 1991

VIA UPS OVERNIGHT

Anthony Veltry 88-41 62nd Drive Rego Park, NY 11374 Dennis M. Silverman President IBT Local Union 810 10 E. 15th St. New York, NY 10003

Re: Election Office Case No. P-975-LU810-NYC

Gentlemen:

A protest was filed pursuant to the Rules for the IBT International Union Delegate and Officer Election, revised August 1, 1990 ("Rules") by Anthony Veltry, a member of Local 810 and a supporter of the Ron Carey Slate. Mr. Veltry contends that resources of Local 810 were used to encourage Local Union members to attend a rally that was held in support of the Shea-Ligurotis Action Team on October 3, 1991 at the Ramada Hotel in New York City. Specifically, Mr. Veltry alleges that a bus was hired and paid for with Union funds to transport Local Union members to the rally.

The Rules prohibit the use of Union funds to support any International Union officer candidates. Rules, Article X, §§ 1(b) and (c). See also Article VIII, § 10(c) of the Rules which provides: "Union funds, facilities, equipment, stationery, etc. may not be used to assist in campaigning unless the candidate reimburses the Union for such costs and such goods and services are equally available to all candidates and all candidates are notified in advance of the availability of such goods and services."

The Election Office investigation was conducted by Regional Coordinator Amy Gladstein and disclosed the following facts. Mr. Veltry's personal knowledge of the facts relating to the events giving rise to the complaint were at best sketchy and relied on conversations with persons whose names he did not know. However, the Election Officer's investigation did confirm that a rally did take place on October 3, 1991 and that a bus was utilized to transport Local Union members to the rally. Sandwiches and beverages were also provided for the members who attended. A dining or assembly area was made available and janitorial staff hired to clean the room. The investigation disclosed that the cost charged for the bus service and food was at the rate regularly charged by the providers to all customers and that the room and janitorial service were at market rate.

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Sid Meyer, attorney for Local 810, has represented to the Election Officer that the cost of hiring the bus, providing the food and the dining or assembly facility was not paid with Union funds but was paid with monies in a special voluntary benefit fund established by Local 810 officers and staff, all of whom are IBT members. This benefit fund is maintained to provide campaign and similar contributions to candidates favored by the fund's contributors.

Upon request of the Election Officer, an invoice was produced by Mr. Meyer relating to the bus, food and room transactions. However, the bus service bill indicates that the cost for that service was billed to Local 810. Mr. Meyer represents, however, that Local 810 did not pay the bill and that the \$230.00 charge was paid by the fund described above. The Election Officer investigation substantiated that the fund in fact paid for the bus, food and dining or assembly facility. The fund, since it was established with voluntary contributions from IBT members, may be used for campaign purposes and thus payment for the rally related services and goods through the benefit fund does not violate the Rules.

Accordingly, the protest is DENIED.

If any interested party is not satisfied with this determination, they may request a hearing before the Independent Administrator within twenty-four (24) hours of their receipt of this letter. The parties are reminded that, absent extraordinary circumstances, no party may rely upon evidence that was not presented to the Office of the Election Officer in any such appeal. Requests for a hearing shall be made in writing, and shall be served on Independent Administrator Frederick B. Lacey at LeBoeuf, Lamb, Leiby & MacRae, One Gateway Center, Newark, New Jersey 07102-5311, Facsimile (201) 622-6693. Copies of the request for hearing must be served on the parties listed above, as well as upon the Election Officer, IBT, 25 Louisiana Avenue, N.W., Washington, D.C. 20001, Facsimile (202) 624-8792. A copy of the protest must accompany the request for a hearing.

The Election Officer would note that the fund may be an independent committee within the meaning of the *Rules* and the <u>Advisory on Campaign Contributions and Disclosure</u>, issued August 14, 1991. Accordingly, if the fund raises or expends more than \$1,000.00 in connection with the 1991 International Union election, Campaign Contribution and Expenditure Reports must be filed.

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MHH/mjv

cc: Frederick B. Lacey, Independent Administrator

Amy Gladstein, Regional Coordinator

Susan Jennik, Esq. Association for Union Democracy 500 State St. Brooklyn, NY 11217

Ron Carey c/o Richard Gilberg, Esquire Cohen, Weiss & Simon 330 West 42nd Street New York, NY 10036-6901

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MHH/cb