

Judge criticizes teachers union in lawsuit filed by Indiana

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ISTA Building 150 W. Market St. Indiana State Teachers Association. Built in 1957 and renovated in the 1980s.

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ISTA Building 150 W. Market St. Indiana State Teachers Association. Built in 1957 and renovated in the 1980s. / Dawn Mitchell / The Star

A federal judge ripped the legal arguments of the National Education

Association, one of the nation's most influential labor unions, in a court order that keeps the NEA as a defendant in a lawsuit filed by the State of Indiana.

U.S. District Court Judge Sarah Evans Barker called the NEA's reasoning that she reconsider one of her previous rulings "both puzzling and preposterous."

The Washington, D.C.-based teachers

union wanted the judge to reconsider her March denial of an NEA motion for summary judgment that would have dropped it as a defendant in the case.

In her order from last week, the judge denied the reconsideration request in biting style

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"A party who finds himself paddling upstream after a ruling adverse to his interests may not use a motion for reconsideration as a life raft — especially not when his own strategic choices engendered his dilemma," the judge wrote in her eight-page order.

The state is suing the NEA and its state affiliate, Indiana State Teachers Association, alleging securities fraud over the 2009 collapse of ISTA's insurance trust that cost school districts

around the state more than \$24 million in losses.

The NEA argued it wasn't responsible for the collapse and should be dismissed from the case. But the judge refused to go along, citing a document introduced in the case by the NEA that showed the NEA partially oversaw and paid ISTA UniServ directors who helped market the trust's insurance.

To justify its motion for reconsideration, the NEA said it hadn't had the chance to study the NEA document the judge cited.

That's the argument the judge termed "puzzling and preposterous."

"Having placed this document before the court, it is disingenuous of the NEA to argue now that the court's references to it were improper," Barker said in her order. "We say again that genuine issues of material fact remain concerning the NEA's role in the trust collapse."

A Washington, D.C. attorney for the NEA, Jeremiah Collins, didn't immediately respond to a request for comment.

A jury trial is set for Oct. 28 in the case, which pits one of the nation's largest and most politically influential unions against the State of Indiana and its securities commissioner Chris Naylor.

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