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COMMITTEE ON
EDUCATION AND THE WORKFORCE
U.S. HOUSE OF REPRESENTATIVES
2176 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515-6100

March 15, 2024

Shawn Fain
President
International Union, United Automobile, Aerospace and Agricultural Implement Workers of America
8000 East Jefferson Avenue
Detroit, Michigan 48214

Dear Mr. Fain:

The Committee on Education and the Workforce (Committee) is concerned about fraud, embezzlement, and corruption perpetrated by union officials. To ensure workers represented by labor organizations are shielded from malfeasance by union officials, the Committee requests documents and information relating to the International Union, United Automobile, Aerospace and Agricultural Implement Workers of America's (union) efforts to protect employees and deter fraud, corruption, and improper accounting.

The Committee is concerned by reports from the Department of Labor's (DOL) Office of Inspector General and Office of Labor-Management Standards (OLMS) highlighting significant fraud, embezzlement, and corrupt behavior by union officials. The Committee is particularly concerned that over the past decade OLMS has reported 725 federal indictments and 693 convictions of union officials and other union associates.¹ The Committee's oversight efforts on just a dozen private-sector unions involve more than \$3.2 million in embezzlement and \$220,000 in bribery.

Prominent examples of this corruption are related to your union's own activities. In March 2022, Mr. Timothy Edmunds, the union's former Local 412 financial secretary-treasurer, pleaded guilty to embezzling approximately \$2.1 million in union funds and money laundering between 2011 and 2021.² In July 2022, Mr. Edmunds was sentenced to 57 months in prison and ordered to pay approximately \$2 million in restitution and approximately \$1 million in fines.³ According

¹ DOL, OLMS, HISTORICAL ENFORCEMENT DATA, ANNUAL TOTALS OF INDICTMENTS & CONVICTIONS, FY 2014 TO FY 2023, <https://www.dol.gov/agencies/olms/enforcement/data>.

² Press Release, U.S. Att'y's Off., E. Dist. of Mich., Former UAW Official Sentenced to 57 Month in Prison for Embezzling Over \$2 Million in Union Funds (July 26, 2022), <https://www.justice.gov/usao-edmi/pr/former-uaw-official-sentenced-57-months-prison-embezzling-over-2-million-union-funds>.

³ *Id.*

to the Department of Justice, Mr. Edmunds was the 17th defendant convicted in connection with an ongoing criminal investigation into corruption within the union or relating to illegal payoffs in the union's corruption scandal with Fiat Chrysler Automobiles.⁴

The Committee has jurisdiction over legislation that protects employees from union mismanagement and corruption, including the *National Labor Relations Act* and the *Labor-Management Reporting and Disclosure Act*. For the Committee to determine unions' adherence to these important laws and to weigh the need for possible revisions to them or additional legislation, we are asking unions to provide the following information by no later than April 3, 2024:

1. A comprehensive description of the policies and procedures the union has in place to monitor and deter fraud, corruption, and improper accounting, including any third-party audits. In this description, please include the names and titles of those who design and implement these policies.
2. A comprehensive description of the policies and procedures the union requires its locals to have in place to monitor and deter fraud, corruption, and improper accounting, including any third-party audits. In this description, please include the names and titles of those who design and implement these policies. If the union does not have policies and procedures for its locals, please articulate how the union ensures that fraud, corruption, and improper accounting do not occur among its local unions.
3. A comprehensive description of the education the union provides its staff to ensure that proper accounting standards are observed for the oversight of funds, assets, and property for the national organization and for the local unions. In this description, include the names and titles of those who design and implement these policies. If the union does not provide its locals with such education, please articulate how the union ensures financial oversight is conducted by the locals.
4. An explanation of whether the union has an internal reporting mechanism, such as a hotline, for its members, staff, and whistleblowers to report any examples of fraud, corruption, or improper accounting. In this explanation, please provide the names and titles of those responsible for reviewing any complaints received. Additionally, if such a mechanism exists, please explain how many staff reports have been made using it over the past decade.
5. An explanation of whether the union requires its local unions to maintain internal reporting mechanisms for their members, staff, and whistleblowers to report any instances of fraud, corruption, or improper accounting. If such mechanisms exist at the local level, please describe how many staff reports have been made at each local over the past decade. If the union does not have such a requirement for its local unions, please explain how staff at the local level can report their concerns to their local's leadership.

⁴ *Id.*

6. A comprehensive description of any internal disciplinary policies the union has in place to punish instances of fraud, corruption, and improper accounting. In this explanation, please provide the names and titles of those responsible for creating and administering such policies. Additionally, in this description, please include an explanation of whether the union has any internal or legal requirement that it must report such instances to appropriate federal agencies or other law enforcement agencies.
7. A comprehensive description of any disciplinary policies that the local unions have in place to punish instances of fraud, corruption, and improper accounting. In this description, please include an explanation of the union's requirements that the local unions report such instances to appropriate federal agencies, other law enforcement agencies, and the union itself.

The Committee has jurisdiction over labor-related matters and it “shall review and study on a continuing basis the application, administration, execution, and effectiveness of laws and programs addressing subjects within its jurisdiction” as set forth in House Rule X.⁵ The Committee’s investigation on this matter is within the Committee’s jurisdiction and is a “subject on which legislation ‘could be had.’”⁶ This request and any documents created as the result of this request will be deemed congressional documents and property of the Committee.

Please deliver your responses to 2176 Rayburn House Office Building. If you have any questions about this request, please contact Committee staff at 202-225-4527. Thank you for your prompt attention to this request.

Sincerely,



Virginia Foxx
Chairwoman

⁵ RULES OF THE U.S. HOUSE OF REPRESENTATIVES 6, 7, 9-12 (118th Cong.) (Jan. 10, 2023).

⁶ Trump v. Mazars USA, LLP, 140 S.Ct. 2019, 2031 (2020) (internal citations omitted).