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April 17, 2025

Elisabeth Messenger Director, Office of Labor-Management Standards U.S. Department of Labor 200 Constitution Avenue, NW Washington, DC 20210

Dear Director Messenger:

On April 8, 2025, POLITICO published an article detailing numerous troubling allegations regarding the expenditure of union funds by George Gresham, President of 1199SEIU United Healthcare Workers East (1199SEIU).¹ The Committee on Education and Workforce (Committee) is concerned about the alleged behavior described in the article, and we request that the Office of Labor-Management Standards (OLMS) review the improper financial practices of 1199SEIU and its officials.

According to the article, Mr. Gresham "has for years used union money to benefit himself, his family and political allies."² These allegations raise serious concerns about whether the union's officers have been treating the union treasury as a personal slush fund rather than upholding their legal duty to manage members' dues for the members' exclusive benefit. The Committee shares these concerns and is committed to supporting the enforcement of federal laws protecting union members' rights.

Federal law is clear about union officers' fiduciary responsibilities. Section 501(a) of the *Labor-Management Reporting and Disclosure Act* states:

The officers, agents, shop stewards, and other representatives of a labor organization occupy positions of trust in relation to such organization and its members as a group. It is, therefore, the duty of each such person ... to hold its

¹ Maya Kaufman, 'An Unlimited Piggy Bank:' Inside a Powerful Union's Lavish Spending, POLITICO, Apr. 8, 2025, <u>https://www.politico.com/news/2025/04/08/george-gresham-1199-seiu-heathcare-union-00277781</u>.

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money and property solely for the benefit of the organization and its members \dots^3

This provision is intended to protect rank-and-file workers from misappropriation of their dues. Public filings show that 1199SEIU collected more than \$208 million in member dues and agency fees last fiscal year, underscoring the seriousness of the reported misuse of these funds.⁴ These allegations regarding 1199SEIU's expenditures on lavish travel, nepotistic arrangements, unexplained payouts to political allies, and concerts or events that do not benefit rank-and-file members, raise serious questions about whether the union and its officers have violated the law.

Accordingly, I request that OLMS review the expenditures and practices described in the POLITICO article. Information from OLMS would assist the Committee in determining whether legislative changes are warranted.

Thank you for your prompt attention to this request.

Sincerely,

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Tim Walberg Chairman

³ 29 U.S.C. § 501(a).

⁴ U.S. DEP'T OF LAB., OLMS, 1199SEIU UNITED HEALTHCARE WORKERS EAST, LM-2 LABOR ORGANIZATION ANNUAL REPORT (FORM LM-2) FOR FY 2024 (filed Mar. 28, 2025).