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November 14, 2019

The Honorable Robert C. "Bobby" Scott
Chairman
Committee on Education and Labor
2176 Rayburn House Office Building
Washington, DC 20515

The Honorable Frederica Wilson
Chairwoman
Subcommittee on Health, Employment,
Labor, and Pensions
2176 Rayburn House Office Building
Washington, DC 20515

Dear Chairman Scott and Chairwoman Wilson:

We are writing to follow up on our September 19, 2019, letter requesting that the Committee on Education and Labor (Committee) hold a public hearing to examine the ongoing federal investigation of the United Auto Workers (UAW) union for multiple violations of the *Labor Management Relations Act*, a law under the jurisdiction of this Committee. Our previous correspondence requested a hearing by October 31, and since the original deadline has passed, we respectfully renew this request.

In the time since our original letter was sent to you, the current and previous presidents of the UAW have been accused by federal prosecutors of conspiring to embezzle more than \$1 million in union member dues, forcing the current president to take a leave of absence;¹ a sixth former UAW official has pled guilty to charges of conspiracy and fraud;² a 12th and 13th person have been charged in this brazen scandal;³ and Committee Democrats on a party-line vote passed H.R. 2474, the *Protecting the Right to Organize Act of 2019*, a sweeping union boss wish-list that will increase the likelihood of similar instances of wrongdoing in the future.

¹ Robert Snell & Kalea Hall, *Feds say UAW President Jones, aide schemed to embezzle, split \$700K in dues*, DET. NEWS, Oct. 31, 2019; Nora Naughton, *UAW President Stepping Aside Amid Federal Corruption Probe*, WALL ST. J., Nov. 2, 2019.

² Nick Bunkley, *6th ex-UAW official pleads guilty*, AUTOMOTIVE NEWS, Oct. 22, 2019.

³ Snell & Hall, *supra* note 1; Paul A. Eisenstein, *Feds charge former UAW vice president with money laundering and bribery*, NBC NEWS, Nov. 6, 2019.

In addition, since our September letter, the UAW and General Motors (GM) successfully negotiated a collective bargaining agreement on behalf of nearly 50,000 workers. While that agreement contains many provisions beneficial to employees, it will dissolve the UAW-GM Center for Human Resources—the workforce development center at the core of the ongoing federal investigation.⁴

To date, Committee Democrats have sent numerous oversight letters to the Department of Labor (DOL) this year. Yet not one letter has been sent to DOL's Office of Labor-Management Standards (OLMS) commending and encouraging the agency to continue cracking down on corruption within the highest levels of organized labor. Similarly, Committee Democrats declined to submit comments in support of the OLMS proposed rule requiring separate financial disclosures for union-controlled trusts.⁵ Had the Obama administration not unilaterally rescinded this and other transparency rules originally promulgated by the George W. Bush administration,⁶ the UAW leadership's misuse of union members' dues would have been publicly disclosed without a federal investigation and possibly prevented altogether. Moreover, rather than increase the OLMS budget to strengthen the agency's ability to crack down on corruption, House Democrats have again chosen to underfund the agency in order to protect union leaders like those at the UAW from accountability and transparency.

Rather than encourage unions such as the UAW to become more accountable and transparent, Democrats are promoting radical legislation that undermines employer and employee rights alike, while legalizing disruptive behaviors like secondary boycotts that have been outlawed for decades—all in an attempt to increase unions' coercive power. Democrats oppose transparency for union bosses, yet H.R. 2474 hypocritically requires employers to disclose advice received from attorneys to the federal government.

Moreover, rather than holding a needed hearing on the burgeoning UAW corruption scandal, the Committee majority has spent valuable time adopting ill-advised and radical schemes such as H.R. 2474. Thirty-one Republican amendments to H.R. 2474 were rejected on party line votes, including proposals to ensure union leaders are properly serving their members and using their hard-earned union dues for the stated purpose of worker representation. Rather, H.R. 2474, which was supported by every Democrat present when the bill was approved, forces workers to pay union bosses hundreds of dollars per year against their will, requires that they turn their personal information over to unions without any say in the matter, and deprives them of the right to a secret ballot when voting on the union—exposing them to harassment and intimidation from union organizers.

Eliminating longstanding limitations on intimidation tactics while undermining employer free speech and employee privacy will not make unions like the UAW more effective or attractive to workers. Unions can increase membership by demonstrating real change that reflects a commitment to meeting the needs of a 21st century workforce and by improving transparency

⁴ Michael Wayland, *UAW-GM deal would dissolve training center involved in federal corruption probe*, CNBC.COM, Oct. 19, 2019.

⁵ Labor Organization Annual Financial Reports for Trusts in Which a Labor Organization is Interested, 84 Fed. Reg. 25,130 (proposed May 30, 2019).

⁶ OFF. OF LAB.-MGMT. STANDARDS, U.S. DEP'T OF LAB., 2010 ANNUAL REPORT 9-10 (Jan. 2011).

and accountability to show workers they can be relied upon as trustworthy advocates. Rather than make these commonsense changes, union leaders are demanding that their allies in Congress enact radical, one-sided legislation to increase their coercive power over workers and employers. Unfortunately, it seems that Committee Democrats are all too willing to oblige.

Sixty years ago, Members of Congress from both parties, including then-Senator John F. Kennedy, came together to formally investigate widespread corruption in organized labor. These dedicated efforts resulted in the passage of the *Labor-Management Reporting and Disclosure Act*, a law that was supported by the first President of the AFL-CIO and continues to benefit workers to this day.⁷ Rather than continuing to ignore instances of union corruption, we urge you to follow in the footsteps of John F. Kennedy and your Democrat predecessors, and hold a public hearing by December 12, 2019 to investigate formally the outrageous breach of workers' trust by leaders of the UAW. We look forward to examining this important issue publicly on behalf of UAW members and the American people.

Sincerely,



Rep. Virginia Foxx
Ranking Member



Rep. Tim Walberg
Ranking Member
Subcommittee on Health, Employment,
Labor, and Pensions

⁷ NATHAN MEHRENS, MACKINAC CTR. FOR PUB. POL'Y, BRINGING TRANSPARENCY TO MICHIGAN'S PUBLIC SECTOR UNIONS, HISTORY OF PRIVATE SECTOR UNION FINANCIAL TRANSPARENCY (Jun. 29, 2015).