

PRO ACT: FORCING U.S. WORKERS TO FUND CORRUPT UNION BOSSES

Designed to boost union membership, the PRO Act would force workers and small business owners to hand over their hard-earned income to pad labor boss salaries, luxuries and even corruption.

COALITION FOR A
DEMOCRATIC WORKPLACE



The Protecting the Right to Organize (PRO) Act aims to boost the number of dues paying union members, padding the coffers of union bosses at the expense of workers, small and local businesses, entrepreneurs and Main Street consumers. The PRO Act would remove right-to-work protections for millions of American workers, including those in the 27 states that have passed these laws, by eliminating their right to forgo joining a union. American workers and small business owners would be forced to hand over their hard-earned paychecks to labor bosses or lose their jobs, despite the rampant corruption tied to unions.

HOW CORRUPT UNION BOSSES HAVE MISUSED WORKERS' UNION DUES

A multi-year DOJ investigation into one of the largest unions in America found a “startling level of corruption and fraud by a number of senior leaders” “[U.S. Attorney Matthew Schneider]: ‘During our five-year investigation, we have uncovered a startling level of corruption and fraud by a number of senior leaders of the UAW’... The investigation has led to convictions of 15 people, including two past UAW presidents, three Fiat Chrysler executives and a former General Motors board member who was a union leader.” ([CNBC](#), 12/14/20)

Local union president embezzled more than \$300,000 in union funds to gamble at Detroit casino. “A labor leader who liked to gamble at a Detroit casino has been sentenced to 30 months in federal prison for embezzling \$300,000 from his union. Authorities say Mervin Hawk actually stole \$630,000 from AFSCME Local 164 ... The 59-year-old Hawk appeared in federal court Thursday, apologizing and acknowledging that he ‘let a lot of folks down.’ Both sides acknowledge he had a gambling problem.” ([The Associated Press](#), 3/7/19)

Union president embezzled more than \$600,000 from union to pay down credit card debt after Neiman Marcus shopping spree. “A Montville woman allegedly embezzled more than \$600,000 from her union’s pension and health care funds to pay credit card debts run up at high-end stores like Bloomingdales and Neiman Marcus ... charged with embezzlement of labor union assets and embezzlement from employee benefit plans.” ([NorthJersey.com](#), 1/28/21)

Union president and members charged with embezzlement, bribery and theft in federal investigation. “Federal authorities portrayed the region’s most powerful labor leader, John J. Dougherty, as an unscrupulous kingpin who enriched himself on the backs of union members and exerted his influence to steamroll opponents ... The allegations detailed in the 116-count indictment ... claims that Dougherty and others embezzled more than \$600,000 between 2010 and 2016 to fund personal shopping sprees, restaurant dinners, and annual trips – to staggering claims of corruption and political vindictiveness.” ([The Philadelphia Inquirer](#), 1/30/19)

Union member embezzled over \$380,000 in union funds on Dominican Republic trip and gambling debts: “A federal grand jury returned an indictment Friday charging a Quantico man with wire fraud in connection with an alleged scheme to embezzle more than \$380,000 from his former union, which represented federal law enforcement officers. During his tenure, Penn allegedly routinely embezzled funds from the union for his personal benefit, and spent the stolen funds on gambling, to pay for a personal trip to the Dominican Republic, and for his day-to-day living expenses, according to the indictment, which was announced by U.S. attorney for the Eastern District of Virginia Zachary Terwilliger in a Nov. 6 press release.” ([Prince William Times](#), 11/9/20)

Statewide teacher union president embezzled more than \$100,000 from union for personal expenses. “The former president of the Indianapolis Education Association has been sentenced to 16 months in prison after pleading guilty to

embezzling more than \$100,000 from the union. Cornett wrote checks from the union's bank account and used the union's debit card for personal expenses and to withdraw cash, prosecutors said." ([The Associated Press](#), 5/19/20)

Former United Auto Workers president embezzled more than \$1 million to spend on private villas, golf outings and horseback rides on beaches. "Prosecutors on Thursday charged the former president of the United Auto Workers with corruption, alleging he plotted with others to embezzle more than \$1 million to splurge on private villas, golf outings, boozy meals and horseback rides on beaches." ([The Associated Press](#), 3/5/20)

Union president embezzled more than \$1.3 million from union to pay for spa treatments, second car and medical bills. "Former union leader Rocco Fazzolari was sentenced Monday to 37 months in prison for embezzling more than \$1.3 million from the union and its benefit plan. Fazzolari, former president of East Meadow-based United Industrial Services Union Local 122, pleaded guilty last fall to participating in a kickback scheme that helped him pocket the union's money. From 2012 to 2016, Fazzolari used union funds to pay for his personal expenses, including payments for spa treatments, a gym membership, a second car, medical expenses, personal credit card charges, and ATM cash withdrawals." ([Long Island Business News](#), 1/28/19)

Union president found guilty of embezzling nearly \$800,000 from union health care fund to pay for a Mustang: "The former president of a Colton-based labor union was found guilty Wednesday of 14 felony charges for stealing nearly \$800,000 from the union's health plan fund. A jury found John S. Romero, 73, of Loma Linda, guilty of one count of conspiracy, 12 counts of theft in connection with health care, and one count of making a false statement to a government agency. From 2008 to 2014, Romero embezzled nearly \$800,000 from the union's health plan fund, which he used to pay for personal expenses including legal bills and a car loan for his son's Ford Mustang Shelby GT500." ([CBSLA](#), 2/13/20)

Union president indicted for embezzling thousands in union funds to pay for international flights and new furniture: "The president of a Muskegon-based union for healthcare workers is accused of using dues for personal expenses and international travel...Pons provided statements allegedly showing that Zahdeh, starting in 2017, used at least \$15,000 in union funds for his own benefit, court records showed. 'A review of MUHW bank records reveal hundreds of unauthorized and fraudulent transactions, including trips made by Zahdeh to Istanbul, Turkey,' Pons wrote. He had taken seven international flights since November 2019, the investigator said...'Many of the other receipts provided were for expenses that appear to be for improvements made to Zahdeh's property such as sealcoating and rubber, and lawn, water pump, and irrigation services. Additionally, Zahdeh provided receipts for a seven-piece dining room set, a ceiling fan, chandelier, a rug, sofa, three tables, and lamps.'" ([MLive.com](#), 12/24/20)

Union boss took over \$70,000 in bribes from unemployed workers looking for work to join union: "The former head of the Brooklyn chapter of the carpenters union was found guilty Wednesday of accepting more than \$70,000 in bribes from hundreds of people looking for work. Salvatore Tagliaferro, the president of Local 926 chapter of the United Brotherhood of Carpenters and Joiners of America, took cash payments in amounts ranging from \$600 to \$2,000 from workers in exchange for union membership. The union ranks ballooned by 800 members over the course of the scheme between 2017 and 2019. Yet more than half of the new members never got any work, prosecutors said." ([New York Daily News](#), 4/21/21)

Union treasurer embezzled more than \$50,000 from union coffers over seven year period: "The former union treasurer of Ironworkers Local 470 pleaded guilty to embezzling more than \$50,000 between May of 2011 and August of 2018. The U.S. Attorney's Office in Buffalo said on Thursday that 40-year-old Scott Merritt of Celeron wrote union checks worth \$50,850.71 to pay for various He faces a maximum of five years in prison and a \$250,000 fine when he is sentenced in August." ([WGRZ](#), 4/22/21)

Mother and daughter union members embezzled over \$35,000 from hospital union: "The former secretary treasurer of a public workers union at Jersey City Medical Center admitted in federal court in Newark on Tuesday that she embezzled \$40,455 from the local's checking and savings accounts. Linda Rogers, 71, of Jersey City was employed at JCMC and held a part-time position at Local 2254 of the American Federation of State, County, and Municipal Employees (AFSCME) Union when she and her daughter, Jennifer, deposited 112 unauthorized union checks worth \$35,267 to their joint checking and savings accounts, Acting U.S. Attorney Rachael Honig said. Rogers also transferred \$5,188 from the local's savings account into her personal credit card account, Honig said." ([Dailyvoice.com](#), 1/12/21)