Department of Justice

U.S. Attorney's Office Eastern District of Michigan

FOR IMMEDIATE RELEASE

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District Judge Enters Order Approving Historic Change To The Uaw Constitution And System Of Electing Officers

DETROIT – United States District Judge David M. Lawson approved the results of the referendum of the membership of the International United Auto Workers union and ordered the union to make a historic change to its constitution to provide for the direct election of the UAW's officers, sometimes referred to as "one member, one vote," pursuant to the process required under the Consent Decree between the United States and the UAW, United States Attorney Dawn N. Ison announced today.

Joining in the announcement were Irene Lindow, Special Agent in Charge of the U.S. Department of Labor – Office of Inspector General, Josh P. Hauxhurst, Acting Special Agent in Charge of the Detroit, Michigan office of the Federal Bureau of Investigation, and Sarah Kull, Special Agent in Charge of the Detroit, Michigan office of the Internal Revenue Service – Criminal Investigations, and Thomas Murray, District Director, U.S. Department of Labor – Office of Labor-Management Standards ("OLMS").

Judge Lawson ordered the UAW to implement the change to its constitution and election system by June 30, 2022, which will be in time for the next election cycle for the UAW's President and other members of the UAW's International Executive Board. The UAW's independent and Court-Appointed Monitor, Neil Barofsky, will design the new election system after consulting with the UAW.

The Consent Decree between the UAW and the United States had required that the union conduct the referendum, under the oversight of the independent Monitor and OLMS. Through the referendum, the UAW's active and retired members were able to vote whether the union would adopt a direct election system for choosing International officers and Executive Board members. The Consent Decree required that the referendum take place by November 29, 2021. Once voting was closed, the vendor selected by the UAW Monitor began tabulating the votes. On December 2, 2021, the Monitor announced the final vote count: 89,615 members (or 63.7% of voters) in favor of the direct election system and 50,971 members (or 36.3% of voters) in favor of the current delegate system. With the Court's order, the direct election system will now replace the UAW's prior delegatebased system, which had been in place for decades. There was a total of 140,586 votes. The vote was conducted by secret, mail-in ballots. On January 19, 2022, OLMS endorsed the vote by the UAW membership finding that the referendum had complied with the Consent Decree and with federal labor law governing the conduct of union elections.

As outlined in the Consent Decree, the UAW must now amend its constitution to require the direct election system. At the same time, the UAW Monitor, in consultation with the UAW, will design the new election rules and procedures for the UAW under the direct election system. The new election system will be in place for the UAW's next election cycle which will take place in 2022, starting at the UAW's convention in July 2022.

The Consent Decree came about after the United States filed a civil lawsuit in December 2020 against the International UAW under the Anti-Fraud Injunction Act based on the criminal investigation of the UAW, FCA US LLC, and FCA's executives. Subsequently, the United States and the International UAW entered into a Consent Decree to settle the lawsuit that was approved by the U.S. District Court. The Court appointed attorney Neil Barofsky to serve as the Independent Monitor of the UAW for the next six years. The Monitor is tasked with providing federal oversight of the UAW concerning fraud, corruption, and misconduct within the UAW.

U.S. Attorney Ison commended the hard work on the referendum of Monitor Barofsky, his staff, and the Office of Labor-Management Standards.

"We designed the Consent Decree so that the members of the UAW would be able to decide for themselves how they would choose their leaders going forward, rather than having the government impose one system or another," said United States Attorney Dawn Ison. "Now that the members have spoken and chosen a system of direct elections, we will continue to work with the Monitor to ensure that the UAW is fully reformed, free of corruption and fraud, and that the union's elections will be fair and in compliance with the will of the membership."

"Today's decision is an affirmation of our efforts with our law enforcement partners and the U.S. Department of Labor's Office of Labor-Management Standards to pursue union-affiliated corruption investigations," said Irene Lindow, Special Agent-in-Charge, Chicago Region, U.S. Department of Labor Office of Inspector General.

"The UAW membership has voted for a significant change in how its leadership is selected, consisting of a system of direct elections. The FBI will continue to work alongside our law enforcement partners, the Monitor, and the UAW to ensure future elections, and the UAW as a whole, remain free from corrupt influence," stated Acting Special Agent in Charge Hauxhurst.

"This Consent Decree gives power to the hard-working UAW members and is a step towards building trust in future UWA leadership, said Special Agent in Charge Sarah Kull, IRS-Criminal Investigation, Detroit Field Office."

"With the completion of the UAW Referendum Election, the membership has overwhelmingly spoken, saying that they want a direct voice in deciding who will be the officers of the UAW International Union going forward," stated Thomas Murray, District Director, U.S. Department of Labor, Office of Labor-Management Standards. "I commend the Monitor and his staff for working closely with OLMS to efficiently conduct the Referendum Election in accordance with the law. We will continue to work with the U.S. Attorney's Office, our fellow law enforcement partners, and the Monitor to ensure that the UAW continues to represent its members in accordance with the law."

The case is being prosecuted by Assistant U.S. Attorneys David A. Gardey and Steven Cares.

Topic(s): Public Corruption Component(s): USAO - Michigan, Eastern