



*Militant on a Mission*

Report on Craig Becker, Nominee to the  
National Labor Relations Board

January 2010

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## Introduction

Craig Becker, currently Associate General Counsel of the Service Employees International Union (SEIU), was nominated to a position on the National Labor Relations Board (NLRB) on July 9, 2009. Most board nominees arouse little controversy, yet Becker has run into significant opposition. Although his nomination was approved by the Senate Health, Education, Labor and Pensions (HELP) committee on October 21, it was subjected to the unusual step of a roll call vote. Moreover, Senator John McCain subsequently placed a “hold” on the nomination, blocking it from coming to a formal vote on the Senate floor.

A look at Becker’s background quickly shows why this nomination has generated such opposition. His views on the National Labor Relations Act (NLRA), which as a member of the NLRB he would be entrusted with enforcing, are far outside of the mainstream. Moreover, he has suggested that radical changes to the NLRA could be made even if Congress did not amend the statute. Becker’s tenure at the SEIU raises further questions about his suitability to serve on the NLRB. During the time he served as a senior legal officer at the union, the SEIU:

- De-listed its president and secretary-treasurer as a lobbyist in potential violation of the Lobbying Disclosure Act
- Instituted new policies to force political contributions from union locals in potential violation of the law
- Was implicated in the scandal surrounding disgraced former Illinois Governor Rod Blagojevich
- Endured major financial scandals
- Engaged in alleged intimidation of its members
- Pursued union contracts that would have prevented unionized nursing home workers from reporting elder abuse
- Gave millions of dollars to the scandal-plagued group ACORN
- Hired private detectives to spy on union members

Finally, Becker was involved in drafting pro-labor Executive Orders while still on the payroll of SEIU, a highly suspect practice that raises serious questions about conflicts of interest. This report provides further details on Becker’s writings and the numerous SEIU scandals that have occurred under his watch.

## SEIU and Lobbying Disclosure

### *Evading the Law*

As Associate General Counsel for the SEIU, one of Craig Becker's chief responsibilities is to ensure his union's compliance with the law. However, he may have failed to halt potentially illegal lobbying practices by top SEIU officials, calling into question his ability to interpret and apply the law as a member of the National Labor Relations Board (NLRB).

In 2007, SEIU President Andy Stern and Secretary-Treasurer Anna Burger de-listed as lobbyists under the terms of the Lobbying Disclosure Act (LDA) (2 U.S.C. 1601, et seq.) The LDA defines a "lobbyist" as a person who spends over 20% of his or her time on "lobbying activities" and has two or more "lobbying contacts." It is important to note that the calculation of the 20% of time spent on lobbying activities includes numerous activities beyond direct lobbying contacts, and is with respect to a calendar quarter of a year. A lobbyist must be registered by his or her employer and both must file reports disclosing their lobbying activities.

In October 2009, the White House released a log of visitors covering the period between January 20, 2009 through September 15, 2009. The logs indicate that Stern visited and met with the President and/or White House staff on 22 occasions during that time period.

**"Labor leader and Obama supporter Andrew Stern, president of the Service Employees International Union. Twenty-two Stern visits to the White House are reflected in the records, including at least seven with Obama. Most of the visits with Obama were for group events; the subjects of most of his visits to other people weren't disclosed."** (*emphasis added*)

(*Associated Press, 10/31/09*)

The actual White House visits are just the tip of the iceberg. As noted in a recent letter from Americans for Tax Reform calling for an investigation of Stern's potentially illegal lobbying:

**"In addition, the time that Mr. Stern spent preparing for his visits to the White House and time spent following up on those visits also must be captured in calculating whether he spent 20% of his time on lobbying in any given calendar quarter. Since only 13 days of lobbying activity in a calendar quarter would trigger the 20% threshold, it appears that Mr. Stern spent at least 11 such days lobbying in the first quarter and 9 days in the second quarter on visibly lobbying the White House *in person*. Of course, this would not include any other lobbying activity Mr. Stern conducted during that period, including telephone calls with**

officials, meetings with White House personnel outside the White House, or meetings with other Administration appointees. Nor does it include time Mr. Stern would have spent **scheduling meetings, engaging in preparatory meetings with staff, reviewing talking points and briefing materials, making security arrangements, or traveling to meetings**, which took even more time.” (*emphasis added*)

(Letter from Americans for Tax Reform to the Secretary of the Senate, Clerk of the House and U.S. Attorney’s Office, 11/16/09)

Stern’s lobbying was hardly limited to the Executive Branch. Both in the press and via his Twitter page, Stern’s regular meetings with Members of Congress have been frequent topics.

“SEIU President Andy Stern has met with [Congressman] Sestak and [Senator] Specter **as part of his regular legislative meetings.**” (*emphasis added*)

(*Roll Call*, 6/3/09)

“Service Employees International Union President **Andy Stern - who has participated in the Senate talks** - said in a statement earlier this year that no matter what deal clears the Senate, the voting provisions would be included ‘in the final bill or by amendment in both houses of Congress.’” (*emphasis added*)

(*Roll Call*, 7/28/09)

“**Great discussion last 2 days with many Senators.** Complicated issue but commitment to change. All understand-longer we wait worse it gets” (*emphasis added*)

([https://twitter.com/SEIU\\_ANDYSTERN](https://twitter.com/SEIU_ANDYSTERN), 6/17/09)

“At Springsteen Concert. Lots of fundraisers in box. **Good free choice meetings with key Senators today.**” (*emphasis added*)

([https://twitter.com/SEIU\\_ANDYSTERN](https://twitter.com/SEIU_ANDYSTERN), 5/18/09)

Meanwhile, Burger has similarly seemed to continue lobbying despite de-listing as a lobbyist in 2007.

“SEIU, a major player in the push for health care reform, is holding 100 events in 16 states, union Secretary-Treasurer Anna Burger said.

“‘While Congress might be going home, it doesn’t mean they won’t be hearing from us,’ Burger said. ‘They will be hearing from us in big ways.’”

(*Politico*, 5/26/09)

Burger also attended President Obama's December 2009 "jobs summit," and the first White House State Dinner in November 2009, both activities in which she surely discussed legislation with elected officials. In addition on SEIU's LM-2 financial disclosure form filed with the Department of Labor, Burger reported spending 37 percent of her time on politics and lobbying activity.

The penalties for failing to register as a lobbyist can be steep. As noted in ATR's letter:

"Failure to file accurate reports or to register under LDA is a violation of the Act, which provides for civil penalties of up to \$200,000 and criminal penalties of up to 5 years in prison."

(Letter from Americans for Tax Reform to the Secretary of the Senate, Clerk of the House and U.S. Attorney's Office, 11/16/09)

As a senior legal officer with SEIU, Craig Becker has an obligation to ensure that union officials obey the law. His apparent failure to do so with regard to the LDA severely undermines his ability to credibly officiate the law as a member of the NLRB.

## Becker and the National Labor Relations Act *A Radical's View*

In his past writings, Craig Becker has expressed views of the National Labor Relations Act (NLRA) that are, too be kind, outside of the mainstream. In particular, he expresses great disdain for employers' role in the process of union certification elections, and believes that employers should even be prohibited from exposing criminal conduct by unions during these elections. Were he confirmed to the National Labor Relations board (NLRB), he would be in a position to make his radical views national policy, particularly since he has written that sweeping changes in how the NLRA is administered can be made without congressional action.

Becker's overall view of union certification is succinctly summed up in the introduction to a 1993 Minnesota Law Review article.

**"In light of these differences, it [the article] concludes that employers should be stripped of any legally cognizable interest in their employees' election of representatives." (emphasis added)**

(Craig Becker, *Democracy in the Workplace: Union Representation Elections and Federal Labor Law*, p. 77 MINNESOTA LAW REVIEW, p. 500, 1993)

Thus, in Becker's opinion, a small business owner who has spent years building up his or her business should have "no legally cognizable interest" in one of the most significant decisions impacting the potential future success of their company. But Becker takes his views one step further and would even deny employers the ability to alert authorities to illegal union activity during an election campaign.

**"Similarly, employers should have no right to raise questions concerning voter eligibility or campaign conduct. Because employers have no right to vote, they cast no ballots the significance of which can be diluted by the inclusion of ineligible employees. ... Because employers lack the formal status either of candidates vying to represent employees or voters, they should not be entitled to charge that unions disobeyed the rules governing voter eligibility or campaign conduct. On the questions of unit determination, voter eligibility, and campaign conduct, only the employee constituency and their potential union representatives should be heard." (emphasis added)**

(Craig Becker, *Democracy in the Workplace: Union Representation Elections and Federal Labor Law*, 77 MINNESOTA LAW REVIEW, p. 587, 1993)

In fact, Becker would like to bar employers from most NLRB proceedings.

**“On these latter issues employers should have no right to be heard in either a representation case or an unfair labor practice case, even though Board rulings might indirectly affect their duty to bargain.”**  
(*emphasis added*)

(Craig Becker, *Democracy in the Workplace: Union Representation Elections and Federal Labor Law*, 77 MINNESOTA LAW REVIEW, p. 587, 1993)

Becker’s extreme views are completely at odds with the practice of labor law since the inception of the NLRB, as Becker himself admits.

**“Since its inception, the Board has considered employers to be parties to representation cases. ... The current Board *Casehandling Manual* clearly defines ‘interested parties’ to include employers.”** (*emphasis added*)

(Craig Becker, *Democracy in the Workplace: Union Representation Elections and Federal Labor Law*, 77 MINNESOTA LAW REVIEW, p. 532, 1993)

It also goes against Congressional intent as declared by passage of the Taft-Hartley Act, again, as Becker admits.

**“Congress codified employers’ right to free speech in the 1947 Taft-Hartley Act.”** (*emphasis added*)

(Craig Becker, *Democracy in the Workplace: Union Representation Elections and Federal Labor Law*, 77 MINNESOTA LAW REVIEW, p. 545, 1993)

Despite Congressional intent and decades of NLRB policy, Becker thinks his view of the law can be implemented without Congressional approval.

**“The Board should return to the principle that a union election is not a contest between the employer and the union. ... Unlike the other proposals, however, it could be achieved with almost no alteration to the statutory framework.”** (*emphasis added*)

(Craig Becker, *Democracy in the Workplace: Union Representation Elections and Federal Labor Law*, 77 MINNESOTA LAW REVIEW, p. 585, 1993)



This unilateral imposition of his views regardless of Congressional approval may apply to Card Check legislation as well. Regarding Card Check and neutrality agreements, Becker expressed the following opinion.

**“With only eight percent of people in the private sector represented by unions, how can anyone say that we should close off or narrow the means by which employees can obtain union representation?”**  
*(emphasis added)*

(Neutrality Agreements Take Center Stage at the  
National Labor Relations Board, Labor Law  
Journal, Summer 2006)

Becker clearly has a radical view of the NLRA, and seems to believe he can impose this view without Congressional approval. These are hardly the qualities one would look for in a nominee for the NLRB.

## **Forced Political Contributions** *An Offer You Can't Refuse*

In 2008, the SEIU contributed, by its own estimate, as much as \$85 million to political campaigns. A spending spree of this magnitude by an individual union required a major infusion of cash by its members. Rather than rely on voluntary contributions, the SEIU put in place a new policy that would essentially extort this money from union locals, a policy that seems to run afoul of the law. As a top legal official with the SEIU, Becker should have exercised oversight of this policy and raised a red flag.

At its 2008 convention in San Juan, Puerto Rico, SEIU approved Constitutional Amendment 317. Among other things, this amendment to Article XV of SEIU's constitution imposes a financial penalty on union locals that fail to meet fundraising targets for SEIU's political action committee (PAC).

**“If a Local Union fails to meet its annual SEIU COPE [Committee on Political Education] fundraising obligation, it shall contribute an amount in local union funds equal to the deficiency plus 50%, or such other amount determined by the International Executive Board, to support the overall SEIU political education and action program.”** (*emphasis added*)

(Constitutional Amendments and Resolutions  
Adopted at the 2008 SEIU Convention)

In other words, if union members were reluctant to contribute their money to support SEIU's political agenda, the union International headquarters would simply take it. The “local union funds” referred to here are, after all, generated from workers' dues. However, this provision of the SEIU constitution may be in violation of U.S. law.

**“It shall be unlawful for such a fund [a PAC] to make a contribution or expenditure by utilizing money or anything of value secured by physical force, job discrimination, financial reprisals, or the threat of force, job discrimination, or financial reprisal; or by dues, fees, or other moneys required as a condition of membership in a labor organization or as a condition of employment, or by moneys obtained in any commercial transaction[.]”** (*emphasis added*)

(2 U.S.C. § 441b(b)(3)(A))

Why would SEIU's leadership risk violating federal law to pry workers' money out of their unwilling hands? It may be that the vast amounts of money SEIU has pledged to spend on politics requires such draconian tactics.

**“Unions are now on track to spend more than \$300 million over the 2008 cycle.** The AFL-CIO estimates that its 56 member unions will have spent at least \$200 million by the end of the year. **The Service Employees International Union (SEIU),** the largest member of the AFL-CIO’s rival labor amalgamation Change to Win, which isn’t disclosing its members’ campaign spending numbers, **says it may spend \$85 million on its own.”** (*emphasis added*)

(*Congressional Quarterly Weekly, 9/27/08*)

SEIU has even set aside a \$10 million retribution fund for the 2010 cycle, to be used to launch primary campaigns against any member of Congress fails to back SEIU’s agenda.

**“What’s more, the union is willing to spend \$10 million to oppose elected leaders who turn their backs** on these and other key issues for working people.” (*emphasis added*)

(SEIU press release, 5/8/08)

A top legal official at any organization is expected to know the law. As Associate General Counsel at the SEIU, Becker should have recognized the potential conflict between the U.S. Code and the union’s new policy to impose financial reprisals on union members who declined to contribute to their PAC. The fact that SEIU officials felt it appropriate to establish such a policy raises serious questions about Becker’s ability to serve on an adjudicatory body like the National Labor Relations Board.

## Friends in High Places

### *The SEIU's Purchase of Governor Rod Blagojevich*

The Service Employees International Union (SEIU) has a well-practiced strategy of gaining influence in state capitals as a part of its aggressive organizing tactics. This strategy was brought to light by the scandal surrounding Illinois Governor Rod Blagojevich's attempt to sell a Senate seat. While the extent of SEIU's involvement in the scandal is not fully clear, what is beyond doubt is that the union had a longstanding relationship with Governor Blagojevich that has provided financial benefit to both parties. In the case of the governor, he received large financial contributions that secured his political rise. In exchange, the SEIU was given a free, and some would say unfair, license to organize workers, for which Craig Becker provided legal guidance.

#### Investing in a Governor

SEIU invested more than \$1.9 million in Governor Blagojevich's political campaigns.

Election Cycle	Amount	Significance
2007-2008	\$ 110,000	No election this cycle.
2005-2006	\$ 931,721	SEIU was the top overall contributor.
2003-2004	\$ 60,000	No election this cycle.
2001-2002	\$ 823,044	SEIU was the top non-party contributor.
1999-2000	\$ 2,500	SEIU IL Council PAC

(source: [www.ilcampaign.org](http://www.ilcampaign.org))

During Blagojevich's first bid for governor, the SEIU was his top non-party contributor providing more than \$800,000. Moreover, the union also launched a massive get-out-the-vote effort.

**“The union provided roughly 1,000 precinct walkers in the primary campaign's final weeks**, with an estimated 400 coming in from Wisconsin and Ohio, and Blagojevich eked out a 1-percent victory over his rivals. (The Democratic primary was decisive; state Republicans were too damaged by scandal to mount a serious candidacy of their own.)”  
(*emphasis added*)

(Harold Meyerson, *The American Prospect*,  
3/29/05)

As SEIU officials noted, they took a huge risk in backing Blagojevich's candidacy.

“We told our members we had to build up our political arm in order to grow, so we increased the locals' payments to the state council,” said

[Tom] Balanoff [head of the SEIU's Illinois State Council]. 'And **we took a huge risk with Blagojevich.**'" (*emphasis added*)

(Harold Meyerson, *The American Prospect*,  
3/29/05)

In Blagojevich's reelection bid, the SEIU once again contributed heavily.

**In the 2006 election cycle, the SEIU contributed \$900,000, making SEIU the top overall contributor.**

(source: [www.ilcampaign.org](http://www.ilcampaign.org))

### ***A Quid Pro Quo?***

In exchange for its investment, and the self-described "huge risk," the SEIU expected something in return. And the union had its eye on two classes of state workers ripe for unionization: home-care workers and child-care workers. Both these categories of workers in Illinois were, in 2002, not recognized as collective bargaining units.

**"Both home-care workers and child-care workers inhabit a fuzzy terrain in American employment and labor law.** Though employed by individual patients and parents, their payment (when they have clients of modest means) comes from a combination of state and federal funds, at a rate usually set by the state. Until the late '90s, however, **state and local governments refused to acknowledge that the workers, in matters of payment, had a common employer.**" (*emphasis added*)

(Harold Meyerson, *The American Prospect*,  
3/29/05)

Once elected, Governor Blagojevich signed Executive Order #8 allowing SEIU to unionize home-care workers in the state.

**"In exchange for its support, the SEIU won a specific commitment from Blagojevich: an executive order that created collective bargaining rights for the state's 25,000 home-care workers. ...** With his executive order, Blagojevich removed those workers from legal limbo, and the SEIU won the vote of the members to represent them at the bargaining table." (*emphasis added*)

(Harold Meyerson, *The American Prospect*,  
3/29/05)

As the SEIU noted, this executive order was unprecedented.

**“For the first time in history, this would allow them to sit down and formally bargain,”** said Keith Kelleher of SEIU Local 880.” *(emphasis added)*

*(Chicago Sun-Times, 2/17/03)*

Through its political largesse, the SEIU had created a valuable ally.

**“We couldn’t have a better ally.”** *(emphasis added)*

*(SEIU’s Balanoff, Chicago Sun-Times, 2/17/03)*

Becker admits to giving counsel to the SEIU involving the executive orders and legislation that would allow homecare workers to be unionized.

**“I did provide advice and counsel to SEIU relating to proposed executive orders and proposed legislation giving homecare workers a right to organize and engage in collective bargaining under state law. My involvement in such matters began significantly before the campaigns and subsequent election of Governor Blagojevich.”** *(emphasis added)*

*(Hearings and Executive Sessions, U.S. Senate Committee on Health, Education, Labor, and Pensions, Answers to Second Round of Questions for the Record for Craig Becker, Senator Isakson, 10/6/09)*

However, the SEIU was not finished seeking payback. In 2005, the union pushed for, and received, a second unprecedented executive order allowing them to unionize approximately 49,000 child-care workers.

**“Gov. Rod Blagojevich last month signed an order opening the door for them to bargain with the state through a union even though they are not state employees. That was the first time a governor in the U.S. has taken such a step** on behalf of child-care workers, union officials said.” *(emphasis added)*

*(Chicago Tribune, 3/18/05)*

**“[SEIU] had sought a commitment from Blagojevich, when he was a candidate, to clear the way for the child-care workers to join a union.”** *(emphasis added)*

*(Chicago Tribune, 3/26/05)*

The SEIU, however, faced competition when it came to organizing child-care workers. The American Federation of State County and Municipal Employees (AFSCME) also had ambitions to represent these employees. To give SEIU a leg up, the new Executive Order included an additional provision mandating a rapid election, and required that only

organizations that demonstrated at least 10% support among child workers could participate in such an election.

“Any organization that can show that at least 10% of providers wish to be represented by it may participate in such an election, which shall be held within 42 days of a request for election.”

(Executive Order #1 (2005), [www.illinois.gov](http://www.illinois.gov))

Governor Blagojevich’s fast-tracking of the voting process provided SEIU with a guaranteed advantage over AFSCME. AFSCME quickly began its own campaign, but was already too far behind the curve.

**“The SEIU had already collected many thousands of signature cards from those workers (it had 24 organizers collecting those cards since last year), enough to ensure its presence on the ballot.** Within a couple of days, AFSCME also assigned organizers — hundreds of them, from across the nation — to collect such cards, too.” *(emphasis added)*

(Harold Meyerson, *The American Prospect*, 3/29/05)

Just to cover its bases, the SEIU also pressured the AFL-CIO (of which in 2005 it was still a member) to disqualify AFSCME under the federation’s “Article 21” process, which is used to settle jurisdictional disputes.

“This past Friday, the federation did just that. Acting with unprecedented speed — the SEIU requested on March 21 that the AFL-CIO hold an ‘Article 21’ jurisdictional hearing to determine whether AFSCME had a right under the federation’s constitution to intervene at this late date, the hearing was held on March 24, and the decision was rendered the following day.”

(Harold Meyerson, *The American Prospect*, 3/29/05)

Shortly before his arrest, Governor Blagojevich was on the verge of signing a third executive order specifically benefitting SEIU.

**“Illinois Gov. Rod Blagojevich was preparing to issue an executive order prior to his arrest last week that would have allowed union organizing of home-care workers that could have benefited a labor union with close ties to the governor.”**

**“The executive order would have enabled the SEIU or another union to organize about 1,200 workers in the state who care for**

developmentally disabled people in their homes and would have augmented one signed by the governor in 2003, said Michelle Ringuette, an SEIU spokeswoman.” *(emphasis added)*

*(The Wall Street Journal, 12/15/08)*

Once again, the proposed executive order was designed to give a leg up to the SEIU in organizing these workers.

“Ms. Ringuette said the **SEIU was aware of the executive order** but didn’t know what role, if any, the union played in developing it. She said other unions would have been able to organize the workers as well. But a **rival union said it was unaware of the order, while SEIU staffers and outside experts say the SEIU had already begun actively seeking the support of workers.**” *(emphasis added)*

*(The Wall Street Journal, 12/15/08)*

Other unions that could have organized these workers were unaware of the pending executive order, and reportedly had been denied a list of eligible workers by the state of Illinois.

“**An Illinois spokesman for AFSCME said the group was unaware of a potential executive order.** More than a year ago, the spokesman said, the union was contacted by in-home workers interested in forming a union, and **it requested a list of eligible workers from the state. Illinois ‘refused to provide it,** making it impossible for AFSCME to find the workers to help them organize,’ the spokesman said. ‘We think all workers should have ... the opportunity to select the union of their choosing.’” *(emphasis added)*

*(The Wall Street Journal, 12/15/08)*

Needless to say, the proposed executive order raises questions of favoritism towards the SEIU. One wonders if specific fundraising commitments were discussed with the Governor before any of his unionization executive orders were issued.

“**But cooperation with the governor’s office raises questions of unfair treatment if the union had an advantage** over other unions in signing up the workers.” *(emphasis added)*

*(The Wall Street Journal, 12/15/08)*

## **A Lucrative Result**

The investment in Blagojevich not only resulted in new members, it also brought with it a hefty increase in dues revenue for SEIU.

The 74,000 unionized workers pay between 2 percent and 2.3 percent of their monthly wages in dues, or a minimum of \$12.10 per month. **This**



**means close to \$11 million in annual revenue for the SEIU at a minimum.**

(Source: 2007 Local 880 LM-2 Filing, U.S. Department of Labor, Office of Labor Management Standards)

These dues payments did not, however, result in lucrative benefits for the workers. In fact, SEIU sought contracts that failed to include health coverage, pension benefits or workers comp.

“AFSCME criticized the SEIU — indeed, it was part of the former’s Article 21 argument in opposing the SEIU’s Article 21 petition — for **obtaining contracts for the home-care workers, and seeking contracts for the child-care workers, that would undercut the standards of other public employees by having no health coverage, no pension benefits, and no workers’ compensation coverage.** AFSCME represents state employees who do enjoy such coverage. ‘We’ve been representing state employees for 30 years,’ Illinois AFSCME Executive Director Henry Bayer said last Thursday, ‘and now **SEIU has created a class of employees and signed away their benefits.**’” (*emphasis added*)

(Harold Meyerson, *The American Prospect*, 3/29/05)

### **A Final Payoff?**

When Governor Blagojevich was presented with an opportunity to name a successor to Barack Obama’s Senate seat, one of his calls was to an SEIU official, later determined to be SEIU’s Balanoff. Governor Blagojevich envisioned a three way deal under which Obama would help SEIU with its national political agenda in exchange for picking one of Obama’s preferred candidates, and Blagojevich would take a top job at Change to Win, the labor federation dominated by SEIU.

“In the same conversation where Blagojevich signaled he’d pick the Obama advisor in exchange for the HHS job, **the governor also discussed a three way deal: Blagojevich would take a top post in Change to Win, the splinter labor group that includes powerful unions such as the Service Employees International Union (SEIU).** [Blagojevich’s Chief of Staff John] Harris said an unnamed SEIU official could **appoint Blagojevich the head of Change to Win and, in return, they could extract promises from Obama to help the labor coalition with its agenda.**”

(*The Politico*, 12/9/08)

How deeply was Becker involved with the Rod Blagojevich scandal? He has admitted providing legal advice on the executive orders, and as a top legal officer could be

expected to have approved or been aware of SEIU's massive political contributions to the ex-governor. It appears that with regard to Blagojevich, there was a quid and a quo with Becker potentially serving as the "pro" in the middle.

## Growth At Any Cost *SEIU's Growing Pains*

SEIU has reported substantial membership growth over the past five years. Yet this growth has been accompanied by corruption, financial scandals and a culture of coercion. As a top legal official with the union, Craig Becker could be expected to have given legal review and advice on developing the policies and procedures that have led many, even within the union movement, to criticize SEIU's activities.

### **Financial Scandals:**

A series of financial scandals have rocked the SEIU. Union executives have allegedly spent millions of dollars of dues money taken from low-paid workers to enrich their relatives and pursue a lavish lifestyle.

**"California's largest union local [SEIU United Long-Term Care Workers] and a related charity have paid hundreds of thousands of dollars to firms owned by the wife and mother-in-law of the labor organization's president, documents and interviews show.**

**"The Los Angeles-based union, which represents low-wage caregivers, also spent nearly \$300,000 last year on a Four Seasons Resorts golf tournament, a Beverly Hills cigar club, restaurants such as Morton's steakhouse, and a consulting contract with the William Morris Agency, the Hollywood talent shop, records show.**

**"In addition, the union paid six figures to a video firm whose principals include a former union employee." (emphasis added)**  
*(Los Angeles Times, 8/9/08)*

SEIU's top California officer has been forced to take a leave of absence because of additional financial shenanigans.

**"The Service Employees International Union's top California officer [Annelle Grajeda] has taken a leave of absence, and her former boyfriend has been ordered to return tens of thousands of dollars he received from the state council and the Los Angeles local that she heads." (emphasis added)**

*(Los Angeles Times, 8/13/08)*

SEIU's financial scandals appear to be going nationwide, with the head of a local in Michigan also being forced to resign.

**“A spending scandal at California’s largest union local spread to a second state Monday as the head of a sister labor group in Michigan stepped aside because of a widening financial inquiry.”** *(emphasis added)*

*(Los Angeles Times, 8/26/08)*

The head of United Long Term Care Workers, Tyrone Freeman, the head of the Michigan local, Rickman Jackson, and Annelle Grajeda were all protégés of Andy Stern, SEIU's president. Becker, as Associate General Counsel, could well have had a hand in vetting Stern's picks for top union posts.

**“Freeman and Jackson were appointed by SEIU President Andy Stern, one of the country’s most influential labor leaders.”** *(emphasis added)*

*(Los Angeles Times, 8/26/08)*

**“Grajeda’s local has 77,000 members. She has been a close aide to its [SEIU’s] president, Andy Stern.”** *(emphasis added)*

*(Los Angeles Times, 8/31/08)*

Freeman, in fact, was a “high-profile loyalist” in Stern's campaign to centralize power within the SEIU.

**“[T]he union clearly had an ‘investment’ in Freeman, a Stern protégé who has been a high-profile loyalist in the SEIU push to consolidate regional locals into statewide chapters.”** *(emphasis added)*

*(Los Angeles Times, 8/16/08)*

In response to escalating coverage of these financial scandals, the SEIU has announced the formation of an “ethics committee.”

**“Leaders of the Service Employees International Union plan to announce the formation of an ethics committee in the wake of allegations of misspending by union officials at several big locals.”** *(emphasis added)*

*(The Wall Street Journal, 9/3/08)*

In addition to any work it may perform on ethics, the committee has a larger purpose.

**“[T]he committee would help shore up Mr. Stern’s legacy and make it easier for him to pursue opportunities outside the union.”** *(emphasis added)*

*(The Wall Street Journal, 9/3/08)*

According to e-mails discussing formation of the committee, a senior advisor to Stern, Matt Witt, worried that attention on the scandals could make it harder for Stern to find another job.

“[M]r. Witt had urged forming an ethics committee in June because of a **growing perception that the union had grown ‘at the expense of democracy and ethics.’** But attention on the alleged financial misconduct added urgency to the matter. **Media reports have ‘set in motion events that will make it hard for you to pursue other opportunities outside of SEIU,’** Mr. Witt wrote to Mr. Stern in an email dated Aug. 15.”

*(emphasis added)*

*(The Wall Street Journal, 9/3/08)*

Sadly for union members, SEIU’s senior leadership, which undoubtedly included senior legal officers like Becker, waited six years to do anything about the financial corruption that squandered workers’ hard-earned money.

“A source close to the SEIU has said that **an aide to Stern was informed six years ago of allegations** involving Freeman’s finances and personal relationships.” *(emphasis added)*

*(Los Angeles Times, 8/29/08)*

### **Management by Dictatorship**

SEIU’s senior executives have pursued a growth model that, according to SEIU’s own members, threatens union democracy and undermines the union’s supposed commitment to rank-and-file workers.

“**An overly zealous focus on growth — growth at any cost, apparently — has eclipsed SEIU’s commitment to its members.** As labor leaders, we are obligated to place the needs of our members first and to uphold democratic principles not only in the workplace, but also in our union. **That is increasingly being blocked, circumvented and manipulated.**”

*(emphasis added)*

*(Letter to Andy Stern from former SEIU United Health Care Workers West President Sal Roselli, 2/9/08)*

SEIU executives in Washington, DC have, allegedly, manipulated internal union elections to force their candidates on workers, ...

“You [Stern] and other **international officers interfered in the affairs of the SEIU California State Council** — our collective vehicle for state legislative and electoral action — using the imposition of a revised constitution and bylaws to prompt a presidential election when none was

anticipated, then **manipulating the per capita voting formula and procedures in order to produce the outcome you desired.**" (*emphasis added*)

(Letter to Andy Stern from former SEIU United Health Care Workers West President Sal Roselli, 2/9/08)

... and SEIU headquarters has simply taken over union locals with which it disagrees.

"On Aug. 25, national SEIU President Andy Stern and Secretary-Treasurer Anna Burger announced **their intent to put UHW into trusteeship, which would replace elected rank-and-file UHW leaders with handpicked appointees accountable only to Stern and Burger.** UHW members, who work in hospitals, nursing homes, and private homes across California, have been leading an effort for democratic reforms within SEIU and opposing Stern's efforts to centralize power in Washington, D.C." (*emphasis added*)

(Marketwatch.com, 9/6/08)

Riding roughshod over opposition is not limited to SEIU's senior leadership in Washington, DC, but extends to the practices of its handpicked lieutenants in locals as well.

"The election of a union leader under fire for his labor group's spending practices is the subject of **a government review that could force a new vote because of complaints that the contest was unfair to challengers.** The U.S. Labor Department is investigating allegations that **Tyrone Freeman's union local made it nearly impossible for candidates not on his slate to qualify for the ballot,** according to people familiar with the probe." (*emphasis added*)

(*Los Angeles Times*, 8/16/08)

In fact, the U.S. Department of Labor has taken legal action to force Freeman's local to rerun its rigged election.

"The U.S. Labor Department has asked a federal court to **overturn the election of all officers** at a troubled Los Angeles union local, alleging that **the organization made it too difficult for challengers to qualify for the ballot.**

"In a civil complaint against the Service Employees International Union's largest California chapter, **the department contends that the March election of local President Tyrone Freeman and his slate of officers violated labor laws.** Freeman is the target of a separate criminal investigation into the local's spending practices.

“The election complaint notes that the local required candidates to collect more than 4,800 nomination signatures in three weeks from members who worked mainly as caregivers in private homes. **Only Freeman and his allies qualified for the United Long-Term Care Workers ballot.**”

*(emphasis added)*

*(Los Angeles Times, 10/21/08)*

## **Retaliation and a Culture of Fear**

Reportedly, SEIU members have been “encouraged” to sign statements of support for Stern’s corrupt lieutenants. Those who refused stated that they faced retaliation.

“The [Department of Labor] investigators are also looking into allegations that **some union staff members faced retaliation last week after they refused to sign a petition supporting its president, Tyrone Freeman, the sources said.**”

“[S]everal union staff members told last week of **being pressured by Freeman’s lieutenants to sign the petition supporting him.** Some of those who initially refused were transferred to positions far from their homes, according to three staffers who asked not to be identified because **they feared retribution.**” *(emphasis added)*

*(Los Angeles Times, 8/28/08)*

Others within the union have written of a “culture of fear” spreading in SEIU’s ranks.

“You [Andy Stern] removed a UHW administrative vice president from the Executive Board of the California United Homecare Workers Union (CUHW) for asking questions about ‘budget and allocation of funds.’ **Your actions like this have created a culture of fear throughout the SEIU, making local officers, members and staff afraid to speak up for fear of reprisal.**” *(emphasis added)*

*(Letter to Andy Stern from former SEIU United Health Care Workers West President Sal Rosselli, 2/9/08)*

The SEIU’s growth at any cost strategy has resulted in corruption, financial scandals and a culture of coercion. As a senior legal officer, Becker could be expected to have given legal review and advice on developing the policies and procedures that have failed SEIU’s members. The failure to provide effective legal oversight of the SEIU raises troubling questions about Becker’s fitness for the National Labor Relations Board.

## SEIU's Health Care Contracts *Limiting Patient's Rights*

The Service Employees International Union (SEIU) claims to be committed to changing the healthcare system in the United States, but based on their track record, the change may be for the worse. In 2003, the SEIU struck a secret deal with California nursing homes that would have allowed SEIU to organize their workforces in exchange for limiting workers' ability to report abuse, neglect, and harmful conditions. In 2006, while Craig Becker was a high ranking lawyer at the SEIU, the union reportedly pushed to limit the legal rights of the infirm and elderly, and lobbied the California legislature to make it harder for nursing home abuse victims to sue their care-givers.

The SEIU claims it is committed to bringing change to the U.S. healthcare system, and that it has played a leading role in efforts to reform the healthcare system for years.

**“SEIU is firmly committed to bringing about real change to our healthcare system** that includes a public health insurance option that provides people with a choice of a public health insurance plan, gives them greater control over their healthcare and creates much needed competition,” said Andy Stern. **‘As providers and consumers, SEIU has played a leading role in the efforts to reform our national healthcare system for years** because we know our members, their families and their communities cannot wait any longer for change that works.” *(emphasis added)*

*(SEIU Press Release, 5/11/09)*

But in 2003, the SEIU struck a secret deal with nursing-home chains. Under the deal, the SEIU would have been allowed to organize the workforces of the nursing homes. In exchange the SEIU agreed to limit newly unionized workers' ability to report abuses and unsafe conditions.

“Although [Sal] Rosselli [Head of United Healthcare Workers-West] had a more militant attitude toward organizing, he was initially receptive to Stern's strategy for allying with employers. **In 2003, seiu [sic] struck a secret deal--supported by Rosselli--with a group of California nursing-home chains: Nursing homes would drop their resistance to organizing drives, and, in return, seiu [sic] would use its sway in Sacramento to push for more state money for the facilities as well as a tort-reform measure that would limit patients' ability to sue over neglect or abuse.** (The latter was abandoned after a public outcry.)

**“By 2006, however, Rosselli had soured on these agreements. The ability of workers to expose unsafe conditions in nursing homes had been severely curtailed, and employers were demanding the exclusive**



right to set pay rates, hire and fire workers, eliminate jobs, and outsource at will. 'In the beginning, the opposite commitment was made--to give these workers a voice,' Rosselli told me. 'But by the end, because of their relationship with seiu [sic] and Stern's drive for growth at all costs, these employers said, if you want growth, this is the exchange we need.'

Rosselli refused to speak to the press at the time, but an internal memo prepared by UHW was furious: 'Is it any wonder that we have often heard from these workers that the boss brought us the union?' Last year, the SF Weekly got its hands on the memo--and the union put the agreements on hold. Stern angrily accused Rosselli's local of leaking the report, a charge Rosselli denies." (*emphasis added*)

(*New Republic*, 4/23/08)

The deal curtailed nursing home patients' right to sue when they are neglected, abused, or even killed, and was called "coldblooded."

"Sierra Club members should stay on Mean People alert for the next few years as the anti-immigrants may again try to overrun the bulwark of the environmental movement. Sure, it's rotten to sabotage city efforts to make it safer to bike to work. And it's nasty to try and subvert John Muir's legendary Sierra Club for hateful purposes. But the aforementioned antipathy pales compared to a **coldblooded deal the Service Employees International Union cut with nursing home owners in hopes of adding more orderlies to the union's ranks. The deal involves using the SEIU's lobbying clout to pass legislation curtailing the rights of nursing home patients to sue when they're neglected, abused, or killed.**" (*emphasis added*)

(*SF Weekly (California)*, 6/28/06)

Those who opposed these agreements were targeted by SEIU President Andy Stern.

"With union-busters' hands tied, we could see the rapid unionization of large, low-paid workforces. In this sort of union-friendly landscape, SEIU would be compelled to reconsider its strategy of cutting collaborative deals with employers. **In fact, Rosselli became the target of Stern's wrath earlier this year when he went public opposing one such deal with nursing home chains that allowed the union to recruit among certain nursing home orderlies - as long as the union signed an agreement promising not to complain to the media or regulators about patient abuse or neglect.** Since then, Rosselli has fashioned himself as a populist, fighting corporate sellouts in the labor movement like Stern, earning plaudits from labor leaders around the country." (*emphasis added*)

(*SF Weekly (California)*, 10/1/08)

In 2004, SEIU lobbied California against the medical rights of the most helpless.

The compact that **SEIU lobbyists** are touting to legislators and others includes a warm-and-fuzzy package of health care reforms, such as higher wages and staffing levels and higher government payments to nursing homes that care for low-income Medi-Cal patients. But the real action, the deal's sweet spot, involves so-called 'tort reform' for nursing homes. **To this end the union is currently lobbying politicians and interest groups to sign onto a legislative package that would make it harder to sue the deadliest members of California's poorly regulated nursing home industry.** If everything goes according to the SEIU/nursing home industry plan, some of the pact's 'reforms' aimed at limiting patient lawsuits might be quietly slipped into the massive, 2004 state budget bill."*(emphasis added)*

*(SF Weekly (California), 6/30/04)*

"That's right: **Just as the SEIU's highly public health-care-for-all sloganeering is gaining national resonance, the organization's lobbyists are visiting offices and conference rooms in Sacramento, hoping to limit the medical legal rights of the most helpless and infirm of Californians.** The SEIU has entered a compact with the owners of California's for-profit nursing homes, and it involves an apparent, coldblooded trade-off: In the pact, alluded to on an industry/SEIU 'alliance' Web site and described in greater detail by elder advocates who oppose the deal, the **SEIU has agreed to help the nursing home industry obtain its long-sought holy grail of limiting lawsuits that hinge on allegations of mistreatment of patients.** Among the benefits the SEIU would receive by dint of the pact is better access to nursing home workers who might be organized into the SEIU's ranks."*(emphasis added)*

*(SF Weekly (California), 6/30/04)*

The SEIU even lobbied the California legislature to limit patient rights on the same day that democratic presidential Nominee John Kerry addressed their annual convention emphasizing their theme of "Healthcare For All."

"On June 19, thousands of workers and supporters massed on the walkway of the Golden Gate Bridge. Wearing the trademark purple of the Service Employees International Union, they sang chants and sported T-shirt slogans demanding that every American have access to quality health care. **On June 22, the final day of the union's annual convention in San Francisco, John Kerry gave a keynote speech at the Moscone Center echoing the convention's theme slogan: 'Healthcare for All.'** He lamented the lack of quality health care for workers and denounced a recent Supreme Court decision limiting the lawsuits that patients are able to file against HMOs that deny them medical care.

**“On that same day, SEIU lobbyist Allen Davenport continued making the rounds of the politically connected in Sacramento, promoting the union’s campaign to limit the right of disabled and elderly patients to sue nursing homes when they are neglected, maimed, sexually abused, or killed.”** *(emphasis added)*

*(SF Weekly (California), 6/30/04)*

Deals with nursing homes over organizing rights was clearly a focus of top officials at the SEIU, including Andy Stern. Undoubtedly these deals would have required close coordination with SEIU’s legal team. Even if not directly involved, Becker should have been aware of the nature of these deals that threatened the elderly and infirm while limiting workers’ rights. The apparent failure to raise a red flag on these activities raise major concerns about Becker’s judgment and qualifications for the National Labor Relations Board.

## Money to ACORN *Funding Illegal Activities?*

During the time that Craig Becker has been a top lawyer for the Service Employees International Union, the SEIU has given nearly \$8.5 million of its members' money to the Association of Community Organizations for Reform Now (ACORN), a corrupt organization known to engage in mob-like practices and criminal activities with the intent of influencing the outcome of elections. The SEIU gave some of this money even after several states began investigating ACORN for voter fraud. ACORN has even had a National Labor Relations Board (NLRB) Judge find that it violated the law by interrogating, threatening and firing employees for attempting to form a union. The close association between ACORN and SEIU would have raised objections from most general counsels. There is no evidence, however, that Becker was concerned about this relationship.

SEIU Secretary Treasurer Anna Burger has praised ACORN, asking the organization to help the SEIU "take back our government and our country."

"Other speakers [at the 2002 ACORN convention] talked of a need for a people's movement to 'save our country.' **SEIU international Secretary-Treasurer Anna Burger said, 'How do we save our country? Organize, radicalize, mobilize.'** Burger lambasted corporate CEOs and their allies in the Bush administration for favoring the rich at the expense of the rest of the country. 'How greedy can they get?' she asked, warning: **'We have to do more before our Constitution, our democracy, even our way of life is taken away.'**

"In an appeal for an alliance of labor and community organizations to fight the people's battles, **Burger said, 'We need your help, you need our help. Together we can take back our government, and our country.'**"  
*(emphasis added)*

*(People's Weekly World, 7/6/02)*

SEIU has put its money where its mouth is. Since 2005, the SEIU has given the Association of Community Organizations for Reform Now (ACORN) nearly \$8.5 million in contributions.

Year	SEIU Entity		Amount
2008	National Headquarters	Acorn	\$150,000
2008	Leadership Council	California Acorn	\$100,000
2008	National Headquarters	DC ACORN	\$12,500
2008	Local Union 1	Houston Acorn	\$58,150
2008	Local Union 1	Houston Acorn	\$20,000
2008	National Headquarters	Michigan ACORN	\$5,632
2008	National Headquarters	New Mexico ACORN	\$5,100

2008	Local Union 5	ACLOC	\$19,189
2008	National Headquarters	ACLOC	\$104,577
2008	National Headquarters	ACLOC Apprentice Program	\$630,457
2008	National Headquarters	ACLOC-General	\$35,247
2007	Local Union 11	ACORN	\$8,350
2007	Local Union 20	ACORN	\$13,560
2007	Local Union 73	ACORN	\$14,200
2007	Local Union 721	ACORN	\$7,000
2007	Local Union 880	ACORN	\$60,118
2007	Local Union 1877	ACORN	\$10,000
2007	National Headquarters	ACORN	\$182,693
2007	National Headquarters	ACORN	\$40,000
2007	National Headquarters	ACORN	\$21,035
2007	Local Union 5	Dallas Acorn	\$5,000
2007	National Headquarters	Florida Acorn	\$25,000
2007	Local Union 5	Houston Acorn	\$10,000
2007	National Headquarters	Illinois ACORN	\$100,000
2007	Local Union 6434	ACLOC	\$32,733
2007	National Headquarters	ACLOC	\$190,081
2007	National Headquarters	ACLOC Apprentice Program	\$780,300
2007	Local Union 5	ACLOC Finance	\$58,487
2006	National Headquarters	Acorn Childcare	\$593,663
2006	Leadership Council	ACORN	\$36,230
2006	Local Union 2005	ACORN	\$12,600
2006	National Headquarters	ACORN	\$40,000
2006	National Headquarters	ACORN	\$5,000
2006	Local Union 5	Acorn Child Care	\$15,336
2006	Local Union 888	Acorn Child Care	\$30,338
2006	Local Union 3	Acorn Financial Justice Center	\$8,865
2006	National Headquarters	ACORN International	\$20,000
2006	National Headquarters	ACORN International	\$26,698
2006	Local Union 21	Acorn Institute	\$8,000
2006	Local Union 5	Houston Acorn	\$15,000
2006	National Headquarters	Illinois ACORN	\$100,000
2006	Local Union 880	Illinois Acorn Wnb	\$92,006
2006	Local Union 888	Massachusetts Acorn	\$16,393
2006	Local Union 26	Minnesota Acorn	\$5,910
2006	National Headquarters	ACLOC	\$115,004
2006	National Headquarters	ACLOC Apprentice Program	\$1,524,866
2006	Local Union 5	ACLOC Finance	\$83,167
2005	National Headquarters	Acorn	\$150,613
2005	Leadership Council	ACORN	\$20,000
2005	Local Union 500	ACORN	\$39,628
2005	Local Union 1199	ACORN	\$10,000
2005	National Headquarters	ACORN	\$381,294
2005	National Headquarters	ACORN	\$23,753
2005	National Headquarters	ACORN	\$5,000
2005	National Headquarters	ACORN International	\$1,289,254
2005	National Headquarters	Florida Acorn	\$39,987
2005	Local Union 1	Houston Acorn	\$41,000
2005	National Headquarters	Illinois ACORN	\$100,000
2005	Leadership Council	Los Angeles Acorn	\$19,200
2005	Local Union 888	Mass Acorn	\$12,500

2005	Local Union 32	NY ACORN	\$13,000
2005	National Headquarters	ACLOC Apprentice Program	\$834,841
<b>Total</b>			<b>\$8,428,555</b>

(LM-2 Filings, Office of Labor-Management Standards, 2005-2008)

While the SEIU was giving ACORN more than \$8 million, criminal charges were filed against the organization for submitting fraudulent voter registrations in numerous states, such as Missouri, . .

**“ACORN workers have been tied to voter registration problems all over the country.** In 2007, eight ACORN workers were indicted in St. Louis for fraudulent registration cards submitted for the previous year’s general election.” *(emphasis added)*

*(St. Louis Post-Dispatch, 1/6/09)*

**“A voter registration worker with the group ACORN has been indicted on two felony counts of voter registration fraud.**

“Deidra Humphrey, 44, of East St. Louis, is expected to appear in U.S. District Court in St. Louis this week after a grand jury indicted her on the charges Dec. 31, according to the U.S. attorney’s office.

“Humphrey is **accused of submitting forged and false voter registration cards for the Nov. 8 general election** - including forging cards for nursing home residents - U.S. Attorney Catherine Hanaway said Monday.

**“Humphrey worked for the Association of Community Organizations for Reform Now (ACORN) and the Missouri Progressive Vote Coalition (ProVote), not-for-profit organizations active during campaign seasons in registering low-income and minority voters.”** *(emphasis added)*

*(St. Louis Post-Dispatch, 1/6/09)*

. . . Washington, . . .

**“Three of seven defendants in the biggest voter-registration fraud scheme in Washington history have pleaded guilty and one has been sentenced,** prosecutors said Monday.

**“The defendants were all temporary employees of ACORN, the Association of Community Organizations for Reform Now,** when they allegedly filled out and submitted more than 1,800 fictitious voter-registration cards during a 2006 registration drive in King and Pierce counties.” *(emphasis added)*

*(The Seattle Times, 10/30/07)*

. . . and Wisconsin.

**“Criminal investigations could be launched against at least six voter registration workers who tried to add dead, imprisoned or imaginary people to the voter rolls, according to the Milwaukee Election Commission and the organization that employed them.”** *(emphasis added)*  
*(Milwaukee Journal Sentinel, 8/7/08)*

**“In about 12 cases, deputy registrars paid by ACORN were ‘making people up or registering people that were still in prison,’** said Carolyn Castore, ACORN’s state political director.

**“And in other cases, workers used the same address for numerous voters or used driver’s license numbers that did not fit the voters’ birth dates, Edman said. But most of the fraud involved submitting duplicate cards for voters who were already registered, and forging the voters’ signatures,** Castore said.” *(emphasis added)*  
*(Milwaukee Journal Sentinel, 8/7/08)*

The U.S. House of Representatives convened a panel to hear the statement of an ACORN whistleblower who testified about the mob-like practices of the organization.

**“A lawyer for a whistleblower on the activist group ACORN is prepared to tell a House panel Thursday that the group provided liberal causes with protest-for-hire services and coerced donations from the targets of demonstrations through a mob-style ‘protection’ racket.**

**“ACORN called it the ‘muscle for the money’ program,** according to prepared testimony Pittsburgh lawyer Heather Heidelbaugh plans to deliver at a hearing of the House Judiciary subcommittee on the Constitution, civil rights and civil liberties.” *(emphasis added)*  
*(The Washington Times, 3/19/09)*

ACORN has engaged in fraudulent voter registration for more than 30 years.

**“In 10 or more states, police are investigating the Association of Community Organizations for Reform Now, better known as ACORN. It’s a group of far-left rabble-rousing bullies who secure millions in federal largesse to advance their ‘grass-roots’ housing programs, which often involve intimidating local banks into providing credit to poor neighborhoods that can’t pay back the loans.**

**“But ACORN is best known for its voter-registration drives. The group pays canvassers to register as many names as possible. Never mind if they’re authentic: Mickey Mouse and the Dallas Cowboys are just some of the tens of thousands of bogus names that have been dumped on local**

election boards around the country this year. **Of course, those names are easily spotted as fraudulent, but many others are not - which, due to the confusion sown by ACORN, makes it easier for fraudulent voters to show up and vote on election day.**

**“ACORN has been engaging in this shady, if not flat-out criminal, enterprise nationwide for more than 30 years. It’s not just going on under our noses; it’s right in front of our eyes.”** (*emphasis added*)  
(*Editorial, The Augusta Chronicle, 10/16/08*)

ACORN was also found to have engaged in unfair labor practices by interrogating employees about their union activities, threatening them with discharge, and laying off employees who wanted to form a union.

“I [Administrative Law Judge Jane Vandeventer] find that Respondent has not carried its burden of proving its asserted defense. **I find that Respondent violated Section 8(a)(3) of the Act when it laid off Nevils, Howley, and Stephens.**

#### “CONCLUSIONS OF LAW

- “**1. By interrogating employees about their union activities, by informing employees that other employees have been discharged because of the Union, by threatening employees that selecting the Union to represent them will be futile, and by threatening employees with discharge, Respondent has violated Section 8(a)(1) of the Act.**
2. By laying off Gigi Nevils, Sarah Stephens, and Erin Howley, Respondent has violated Section 8(a)(3) and (1) of the Act.
3. The violations set forth above are unfair labor practices affecting commerce within the meaning of the Act.

#### “THE REMEDY

“Having found that Respondent has engaged in certain unfair labor practices, I shall recommend that it be required to cease and desist there from and to take certain affirmative action necessary to effectuate the policies of the Act.

“I shall also recommend that Respondent be ordered to re-move from the employment records of Gigi Nevils, Sarah Stephens, and Erin Howley any notations relating to the unlawful action taken against them and to make them whole for any loss of earnings or benefits they may have suffered due to the unlawful action taken against them, in accordance with F. W. Woolworth Co., 90 NLRB 289 (1950), plus interest as computed in accordance with New Horizons for the Retarded, 283 NLRB 1173 (1987).



“On these findings of fact and conclusions of law and on the entire record, I issue the following recommended

“ORDER

**“The Respondent, Association of Community Organizations for Reform Now (ACORN), Dallas, Texas, its officers, agents, successors, and assigns, shall**

**“1. Cease and desist from**

**(a) Interrogating employees about their union activities,** informing employees that other employees have been discharged because of the Union, threatening employees that selecting the Union to represent them will be futile, and threatening employees with discharge.

**(b) Laying off employees because of their support for the IWW or any other labor organization,** or because of their concerted protected activities.

**(c) In any like or related manner interfering with, restraining, or coercing employees in the exercise of rights guaranteed them by Section 7 of the Act.”**

*(Association of Community Organizations For Reform and Sarah A. Stephens and Erin Marie Howley and Gigi Nevils, Cases 16-CA-21007-1, 16-CA-21007-2, and 16-CA-21173, 3/27/03)*

SEIU members work hard for the dues money they pay to the union. Unfortunately, it does not appear that SEIU’s senior leadership team and legal officers like Becker were concerned that this money was given to a corrupt organization involved with voter fraud and union busting.

## SEIU's Lobbying *More Important than Protecting Workers*

Despite having formed the Change to Win Federation over concerns that the AFL-CIO was focused too much on politics, SEIU has spent \$152 million on politics and lobbying in the last four years alone. Lobbying is such a priority for the SEIU that they recently laid off many of their unionized staff rather than cut expenditures on government advocacy. It's unclear to what extent Craig Becker was involved in the decision to fire unionized workers, but it is highly likely that as Associate General Counsel, he will be involved in adjudicating the Unfair Labor Practice charge filed by these workers.

SEIU left the AFL-CIO over concerns the federation was spending too much money on politics and lobbying. Yet over the past four years, SEIU has spent more than \$152 million on politics and lobbying.

Year	SEIU Political and Lobbying Disbursements
2008	\$67,059,660
2007	\$32,935,792
2006	\$26,571,992
2005	\$26,008,294
<b>Total</b>	<b>\$152,575,738</b>

*(Service Employees International  
Union LM-2 Filings, 2005-2008)*

In fact, lobbying is so important to the SEIU that it fired 75 unionized workers to free up more funds to build influence in Washington. This resulted in an Unfair Labor Practice charge filed against the union.

**“The Service Employees International Union, considered the most influential union in the nation, has notified the union that represents about 220 of the SEIU’s national field staff members and organizers that it is laying off 75 of the employees.**

**“In return, the workers union, which goes by the somewhat postmodern name of the Union of Union Representatives, has filed charges of unfair labor practices against the SEIU with the National Labor Relations Board.** The workers union’s leaders say that the SEIU is engaging in the same kind of practices that some businesses use: laying off workers without proper notice, contracting out work to temporary-staffing firms, banning union activities and reclassifying workers to reduce union numbers.

**“It’s completely hypocritical,’** said Malcolm Harris, president of the workers union. ‘This is the union that’s been at the forefront of progressive issues, around ensuring that working people and working families are taken care of, **but when it comes to the people that work for SEIU, they haven’t set the same standards.’**

**“SEIU officials say the layoffs are part of a long-running plan to reallocate resources. Its national office will devote more of its resources to lobbying** and communications in Washington to take advantage of Democrats’ ascendance. Most organizing would be left to local chapters, where officials say they have identified dozens of openings for the laid-off staff.

“‘This is not a financial issue,’ said SEIU President Andy Stern. ‘We need to respond to the once-in-a-lifetime opportunity our members created by helping elect President Obama.’” *(emphasis added)*  
*(Washington Post, 3/19/09)*

While Becker was providing legal guidance to the SEIU, they fired dozens of unionized staff members and were hit with an Unfair Labor Practice charge. Potential involvement with the firing of unionized workers would seem an odd qualification for an appointment to the National Labor Relations Board.

## Unpaid Hired Guns *Spying on Its Members on the Cheap*

In January 2009, while Craig Becker was a high ranking lawyer at the Service Employees International Union, the SEIU placed United Healthcare Workers – West (UHW) into trusteeship. To assist in the process, the SEIU employed the help of the OSO Group, a private intelligence firm, to monitor the activities of the UHW. The OSO Group also provided security services for Officers of the SEIU. In the weeks after hiring the firm, SEIU ran up a \$2.2 million bill and then refused to make full payment. In May 2009, OSO Group had to file suit in U.S. District Court in order to recover more than \$900,000 for services rendered.

In January 2009, the SEIU hired the OSO Group to assist in putting the UHW into trusteeship, provide security for union officials, and conduct surveillance on the UHW.

“According to the complaint, filed last month in federal court in San Francisco, **the SEIU hired the OSO Group in January to provide round-the-clock security for top union officials and to monitor the activities of officials at the dissident union, the United Healthcare Workers-West**, who were feuding with SEIU President Andy Stern. The health care workers accused Stern of strong-arm tactics and of conceding too much in negotiations with California nursing homes. Stern responded by placing the union under trusteeship, essentially firing its leaders. They went on to form a rival union.” *(emphasis added)*

*(Congressional Quarterly Weekly, 5/30/09)*

“On January 15, 2009, Jerry Bullock met with John Gibbons (the OSO GROUP’S CEO), Garnett Williams, and other OSO GROUP personnel at the OSO GROUP’S office in San Francisco to discuss the OSO GROUP’S retention to assist SEIU during the pre and post-trusteeship period. **Jerry Bullock stated he represented SEIU, was acting on its behalf as their authorized agent, and that SEIU had engaged BULLOCK to provide required security and surveillance at various UHW Facilities, and also to provide required executive protection and drivers for a select number of upper echelon of SEIU leadership** visiting California during the UHW transition period.”

“After some preliminary discussion, the parties agreed during the meeting that Bullock, acting on behalf of and for the direct benefit of, and at the request of, SEIU as BULLOCK’S principal, would engage the OSO GROUP to, *inter alia*: **(a) assist SEIU in its ongoing efforts to document and legally perfect the grounds for the trusteeship; (b) provide substantial manpower to SEIU for security, protection, and surveillance at various UHW facilities, including the UHW**

**headquarters in Oakland and other locations in California; (c) provide executive protection and drivers for upper echelon of SEIU leadership visiting California during the transition; and, (d) provide investigative assistance.”** *(emphasis added)*

*(The OSO Group, Ltd. vs. Bullock & Associates, Inc., Services Employees International Union, CV 09:1906, Filed in the U.S. District Court of California, San Francisco Division, 5/1/09)*

After the SEIU agreed to promptly pay upon their receipt of invoices, the OSO Group fulfilled their end of the agreement and provided their services.

“Jerry Bullock also represented he had worked with SEIU previously on a far larger, but similar matter, and assured Messrs. Williams and Gibbons that **SEIU would pay promptly by wire upon receipt of invoices and only required simple backup documentation for the hours worked.”** *(emphasis added)*

*(The OSO Group, Ltd. vs. Bullock & Associates, Inc., Services Employees International Union, CV 09:1906, Filed in the U.S. District Court of California, San Francisco Division, 5/1/09)*

The SEIU then unjustifiably failed to pay nearly \$1 million for services that were considered to be difficult, inherently dangerous and highly specialized.

“**Although Plaintiff Fully and Completely performed all of its obligations under the contract**, which included Plaintiff incurring the expense and risk of providing defendants with a full staff of experienced former law enforcement and security officers during the physically dangerous and highly-charged trusteeship proceedings, around the clock, at multiple UHW locations throughout California, **Defendants have unjustifiably failed to pay Plaintiff the sum of \$924,434.13**, the amount invoiced by Plaintiff under the terms of the contract of which remains unpaid.” *(emphasis added)*

*(The OSO Group, Ltd. vs. Bullock & Associates, Inc., Services Employees International Union, CV 09:1906, Filed in the U.S. District Court of California, San Francisco Division, 5/1/09)*

On May 1, 2009, the OSO Group filed suit in the U.S. District Court of California against the SEIU for Fraud, Breach of Contract and Negligent Misrepresentation.

“Complaint for:

1. **Breach of Contract**
2. Common Counts
3. Promissory Estoppel

4. Quantum Meruit

5. **Fraud**

6. **Negligent Misrepresentation**” (*emphasis added*)

*(The OSO Group, Ltd. vs. Bullock & Associates, Inc., Services Employees International Union, CV 09:1906, Filed in the U.S. District Court of California, San Francisco Division, 5/1/09)*

**“Defendants have unjustifiably failed to pay Plaintiff the sum of \$924,434.13, the amount invoiced by Plaintiff under the terms of the contract of which remains unpaid.”** (*emphasis added*)

*(The OSO Group, Ltd. vs. Bullock & Associates, Inc., Services Employees International Union, CV 09:1906, Filed in the U.S. District Court of California, San Francisco Division, 5/1/09)*

**“According to the complaint, filed last month in federal court in San Francisco, the SEIU hired the OSO Group in January to provide round-the-clock security for top union officials and to monitor the activities of officials at the dissident union, the United Healthcare Workers-West, who were feuding with SEIU President Andy Stern.”** (*emphasis added*)

*(Congressional Quarterly Weekly, 5/30/09)*

The suit claimed the SEIU never intended to fulfill their agreement to pay the OSO Group for its services.

“The true facts were that Defendants

- **Never intended to fulfill the terms of the parties’ agreement;**
- **Never intended to pay Plaintiff in full for all services rendered by Plaintiff to document and legally perfect the grounds for the trusteeship over UHW;**
- **Never intended to pay Plaintiff in full for services rendered by Plaintiff to assist Defendants in connection with the implementation of the trusteeship over UHW;**
- **Never intended to pay Plaintiff for all services rendered by Plaintiff in providing manpower, security and surveillance services at various UHW facilities, including the UHW headquarters in Oakland and in providing executive protection and drivers for the upper echelon of SEIU leadership visiting California during the transition;**
- **Never intended to pay Plaintiff in full for all services rendered by Plaintiff in providing investigative assistance;**
- **Never intended to pay Plaintiff in full for all services rendered and invoiced at rate of \$110.00 per hour by Plaintiff’s general personnel, including a daily one (1) hour round trip “home to work charge” for each of the personnel;**

- Never intended to pay Plaintiff in full for all services rendered and invoiced at a rate of \$150.00 per hour by Plaintiff's personnel Garnett Williams and David Perticone;
- **Never intended to pay all invoices** submitted by Plaintiff for all services provided by Plaintiff via wire transfer "immediately upon receipt"; and
- Never intended to provide Plaintiff with a formal, written Engagement Agreement including an indemnification provision indemnifying Plaintiff from any third party claims or lawsuits arising out of their provision of services in connection with the trusteeship proceedings." *(emphasis added)*

*(The OSO Group, Ltd. vs. Bullock & Associates, Inc., Services Employees International Union, CV 09:1906, Filed in the U.S. District Court of California, San Francisco Division, 5/1/09)*

Perhaps the SEIU's reticence to pay their bills has something to do with their deteriorating finances. After spending \$85 million in the 2008 election and taking a \$25 million loan to cover its costs, the SEIU claimed they needed to "safeguard their resources."

"The SEIU contends that the security firm has failed to explain 'irregularities in its invoicing,' says spokeswoman Michelle Ringuette. 'We asked them for more information to explain some exorbitant fees, and instead of explaining, they decided to wage a public campaign,' she says, and unless the firm comes up with a justification, **'we will safeguard our resources,' she adds.**

"And with good reason. **The SEIU invested so heavily in last year's election -- spending \$85 million -- that the union's finances took a hit, forcing it to take out a \$25 million loan to cover costs and lower its reserve fund by half.**" *(emphasis added)*

*(Congressional Quarterly Weekly, 5/30/09)*

The SEIU claims to protect the best interests of workers, but refused to pay hard working retired law enforcement officers.

**"The SEIU, which purports to represent workers who are entitled to all of the benefits of employees and the legal rights offered to employees, is refusing to pay hardworking retired law enforcement officers for valuable services,"** says Malcolm S. Segal, the lawyer representing the security firm, the OSO Group." *(emphasis added)*

*(Congressional Quarterly Weekly, 5/30/09)*

For Becker, the hiring of a private security firm to spy on union members raises serious questions. As a member of the National Labor Relations Board (NLRB), would he condone this type of behavior by other unions? Just as important, would be rule that it is an acceptable practice for employers? And was Becker involved in the decision to hire

the OSO Group and then to refuse payment? The entire episode speaks poorly of his ability to serve on the NLRB.



## Craig Becker and Conflicts of Interest

### *Writing Policy on SEIU's Tab*

Many individuals are eager to work on Presidential transition teams. During President Obama's transition, he sought to prevent those who might have a conflict of interest from serving. These restrictions were to apply even where there was the "appearance of conflict."

"President-elect Barack Obama has imposed **stricter conflict-of-interest restrictions** on his White House transition team than any president before him."

"The rules also bar officials from working on matters where family members or recent business associates may have a direct conflict of interest. **In cases where there is even an 'appearance of conflict,' officials must seek a waiver** from the transition's executive director, an Obama Senate aide and law school classmate, Christopher Lu." (*emphasis added*)

*(The New York Times, 11/15/08)*

Craig Becker must have received such a waiver, because there is no doubt that as associate general counsel for the SEIU, he had more than an "appearance" of a conflict when he served on the transition team. SEIU had contributed substantial resources to President Obama's election, and was eager for payback. Yet Becker was not only allowed to serve on the transition team, he helped author four pro-labor executive orders issued in the early days of the Obama administration. In fact, his name appears as the "author" on a .pdf of one of them.

**"Check the metadata of the following executive order signed by President Obama yesterday, and you'll find the author of the original .pdf document: NOTIFICATION OF EMPLOYEE RIGHTS UNDER FEDERAL LABOR LAWS. It's Craig Becker,** associate general counsel of the Service Employees International Union. [.pdf at <http://www.shopfloor.org/wp-content/uploads/2009fedlaboreorel.pdf> ] (*emphasis added*)

*(Shopfloor.org, 1/31/09)*

While Becker's name appeared in just one executive order, he admitted during questioning by the Senate Health, Education, Labor and Pensions Committee that he had helped author all four. Despite the restrictions on anyone with even an "appearance of conflict," Becker remained on the SEIU payroll and rather than take a traditional leave of absence to work on the transition team, stated that he was on "vacation" and continued to do work for SEIU.

“Mr. Becker also won’t give a clear answer about his role in preparing several pro-labor executive orders issued by president Obama shortly after inauguration. Mr. Becker’s name was found in at least one of the documents, suggesting that he had written it.

“When asked by Sen. Hatch if he was ‘involved or responsible in any way’ for these executive orders, Mr. Becker responded: ‘I was not responsible for [the specific executive orders] except as described below. **As a member of the Presidential Transition Team, I was asked to provide advice and information concerning a possible executive order of the sort described. I was involved in researching, analyzing, preliminary drafting, and consulting with other members of the Transition team.’** In other words, Mr. Becker was the main author but would rather not say so explicitly.

“Why not? Well, perhaps because Mr. **Becker seems to have been on the SEIU payroll at the time he did his ‘drafting.’** Many people take leaves of absence from their private jobs while serving on a transition team, but Mr. Becker says he was on ‘vacation.’ And his ‘vacation’ seems to have been sporadic. ‘My work on the Transition Team was not full time or continuous ... **When I was not on vacation in order to work on the Transition Team, I continued to perform my regular work for both SEIU and the AFL-CIO.’**” (*emphasis added*)

*(The Wall Street Journal, 10/15/09)*

Becker seemed unconcerned about the very real conflict of interest created by a senior SEIU executive still on the union’s payroll writing pro-labor Executive Orders. Were he confirmed to serve on the National Labor Relations Board, there would undoubtedly be issues before the Board raising direct conflicts of interest, including those that merely created “the appearance of a conflict.” Becker’s role in writing Executive Orders sets a poor precedent for how he would handle them.