

Philadelphia union head charged in dues embezzlement scheme to support Democratic candidates

Landon Gourov
22 May 2024

On Monday, May 13, Pennsylvania Attorney General Michelle Henry announced charges against Chris Woods, former president of District 1199C of the National Union of Hospital and Healthcare Employees (NUHHE), for stealing workers' dues in order to support Democratic political campaigns in violation of state campaign law and federal union reporting requirements.

Woods and his associate, Tracy Hardy, a figure closely associated with the Pennsylvania Democratic Party, stand accused of stealing over \$150,000 in workers' dues in order to fund Democratic political candidates between the years 2019 and 2021, according to a joint investigation by Pennsylvania's Office of the Attorney General and the Federal Bureau of Investigation.

Pennsylvania state law prohibits unions from using general funds (i.e., funds that come directly from workers' dues) to donate to political causes. Unions can donate to political causes, but they must use a political action committee (PAC) funded by voluntary donations. District 1199C has a PAC, but had less than \$3,500 prior to the Democratic Party primaries in 2019.

In order to get around this law and to fund his political allies, Woods enlisted the help of Hardy, a figure close to the Pennsylvania Democratic Party. Woods worked behind the scenes with the union to get a fat contract for renovating the bar at the district's union hall, which was handed to a construction firm founded by Hardy some months prior, the Manayunk Construction and Development Corp. Manayunk then intentionally overestimated the price of the renovations by a factor of three.

Over two months, the unlicensed Manayunk Corp. was paid \$180,000 for partial work to the bar. The money was then diverted to Hardy's political consulting firm. Woods then saw to it that the funds went to various Democratic

candidates, including Philadelphia Mayor Jim Kenney, City Council member Isaiah Thomas, and Pennsylvania state Congresswoman Movita Johnson-Harrell. The existing union PAC made no donations.

Hardy was previously involved in a scandal with Vincent Gray, former Washington D.C. mayor, over a \$660,000 campaign contribution from a businessman named Jeffrey Thompson who wanted his donation to remain in the shadows. Hardy was a key coordinator in the campaign and was aware of the situation as it occurred. When some of those involved faced criminal charges, Thompson paid Hardy to leave the country and go to Brazil for a period of time to avoid questioning.

Woods became president of the district in 2019, succeeding his mentor and union careerist, Henry Nicholas. In December of that year, Woods presided over the sudden closure of Hahnemann University Hospital by its corporate owners, leaving 2,500 people jobless, many of them union members. Woods' only response was an opinion piece in the *Philadelphia Inquirer* pleading for a state law requiring 180 days notice before layoffs due to closures.

Speculation first emerged that Woods was involved in a scheme to steal dues money back in January 2021. A since-deleted Instagram post from 1199C claimed the rumors were false. It asserted that an "internal review" had been conducted which determined no criminal activity had occurred and that "the review found that there were no union funds were [sic] missing or unaccounted for."

But in 2021, the national leadership of NUHHE stripped Woods of his leadership. Woods claimed that his ousting was due to his skin color—because "I'm young and African American," he said. But it is clear in the wake of the Pennsylvania indictment that NUHHE only acted to

disassociate itself from Woods when his malfeasance began to threaten the larger union bureaucracy.

Woods' indictment is the latest in a long line of scandals with union leaders and their handling of member dues.

In 1997, Teamsters President Ron Carey was disqualified from running for reelection after it was revealed he had been involved in a complex money-laundering scheme with the Democratic National Committee, which also implicated AFL-CIO Secretary Treasurer Richard Trumka and Service Employees International Union President Andrew Stern. In a classic kickback scheme, Democratic Party-aligned groups were sent \$885,000 in donations from the Teamsters treasury, and in turn made or arranged for reciprocal contributions to Carey's reelection campaign.

More recently, ex-UAW president Gary Jones was sentenced to a 28-month prison sentence in 2021 for embezzling nearly \$1.5 million in union funds to finance his lavish lifestyle. Another ex-UAW president, Dennis Williams, was also sentenced to 21 months in prison for embezzling over \$1 million from union funds. This came to light as several more UAW officials were convicted of taking corporate bribes from Fiat Chrysler in exchange for signing sweetheart contracts.

Cases such as Woods' indictment continue to reveal the completely rotten character of the pro-capitalist and nationalist labor bureaucracy—a phenomenon that is far from unique to the United States. The labor apparatus does not "represent" workers but relies on the corporations and capitalist governments to protect its financial and institutional interests. In return, officials like UAW President Shawn Fain, Teamsters President Sean O'Brien and others enforce the dictates of the capitalist class, particularly at times, like now, of imperialist war.



To contact the WSWS and the
Socialist Equality Party visit:

wsws.org/contact