EDITORIAL: BLINDERS ON, LEGISLATORS PRESS ON WITH SB 916

THE OREGONIAN EDITORIAL BOARD - JUNE 8, 2025

Representatives of school districts from <u>tiny rural towns</u> around Oregon described to House Democrats the financial difficulties they would likely face if legislators passed Senate Bill 916. Leaders of Oregon's <u>eight largest school districts</u>, including Portland, Beaverton and Salem, <u>did the same</u>. <u>Cities</u>, <u>counties</u> and <u>businesses</u> across the state also laid out how the proposal to pay unemployment to striking workers would put budgets and services at risk.

But none of it mattered. Last Wednesday, all but one Democrat in the Oregon House voted yes on SB 916, the most expansive initiative of its kind in the country. The bill, pushed by Democrats' union donors, allows striking public and private employees to collect up to 26 weeks of unemployment pay after two weeks on the picket line. The bill now goes back to the Oregon Senate on Monday to vote on the House-amended version.

This is the <u>third</u> time we've <u>written against</u> this bill. Unfortunately, we fully expect a majority of Senate Democrats to push it through and for Gov. Tina Kotek – who recently bequeathed <u>her own huge gift to union donors</u> – to sign it.

But we are writing again to highlight for Oregonians the unintended consequences that are likely coming our way, courtesy of Democrats who claim to support public education. While lawmakers cavalierly dismiss the risks, they are ignoring the good faith warnings issued by those who know their operations best. It is legislative actions like these that directly bleed dollars from K-12 schools and other public agencies, leaving fewer and poorer services for the Oregonians who depend on them.

This bill goes far beyond policies in New York, New Jersey and Washington, the only other states to extend unemployment pay to strikers – though none provide public employees with a legally protected right to strike as Oregon does. Rather than tread cautiously, House Democrats went big, rejecting a <u>counterproposal from Republicans</u> to mirror <u>Washington's new law</u>, which limits the benefit to six weeks, adds a 10-year expiration date for the policy and requires annual reports on the number and duration of strikes.

Instead, chief sponsor Rep. Dacia Grayber, D-Southwest Portland, celebrated Oregon's opportunity to serve as a model for the nation – an ambition that has not gone so well for other pioneering Oregon efforts in recent years. "We are called on to lead and, colleagues, I believe this is leading," she said.

But to where?

While new initiatives often generate unintended consequences, many of SB 916's backers seemed impervious to the possibility. Rep. Travis Nelson, D-Portland, contended that the bill won't encourage longer or more strikes but will pressure employers to bargain in good faith and offer a better contract for workers, more quickly.

All of that, of course, is a huge unknown – it's just as easy to argue that SB 916 will make it easier for strikers to stay out longer and push for terms employers can't afford. That seems more likely considering that employers are on the hook one way or another for replenishing the unemployment fund: Businesses pay a tax based on their employees' usage of the unemployment fund and public employers must repay the fund for each dollar their workers collect.

From The Desk of Representative Lucetta Elmer

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We have written before about <u>school districts' extensive concerns</u> of this bill, from administrative difficulties to a negotiating dynamic that heavily favors workers when schools have such limited funds. But even so, legislators continue to question the impact. In remarks before the vote, Rep. Farrah Chaichi, D-Beaverton, disputed the idea that the bill could cost public sector employers more than what they've already budgeted. Employers presumably can bank any savings from not paying striking workers, she said, which should be sufficient to cover unemployment.

But it's actually not difficult to comprehend – provided you remember that public employers, such as schools, <u>have missions to serve the public</u>.

Teachers are not the only employees of a school district. Even if schools close for a teachers strike, the district still pays the salaries and benefits of custodians, administrative assistants and other workers. At the same time, school districts are meant to provide instruction for students, so they will typically seek to make up any school days that are lost to a strike. Since schools cannot operate on teachers alone, the extra days will involve extra pay for those custodians and administrators. And if the money isn't there to cover such costs, school districts face the prospect of cutting school days.

Another unknown: whether this bill will embolden bigger asks that employers, particularly public agencies, can't meet. The 2023 <u>Portland Public Schools teachers</u> <u>strike is a case study</u> of a union making exorbitant demands that the school district – which depends on the state for its funding – could not begin to afford. Even the contract that eventually ended the strike has forced layoffs and tens of millions of dollars' worth of cuts.

That bears keeping in mind as the state negotiates the range of demands with its own unions. AFSCME, which represents about 7,000 state workers, is seeking 24 extra hours of paid leave for those workers whose positions cannot be done remotely. It also is arguing that data security should not be a legitimate reason for denying remote work, <u>according to a May bargaining update</u>. Is it truly unreasonable for an employer to expect workers to show up at the jobs that they were hired for? Or for a state, which has exposed Oregonians' information through multiple data breaches, to require employees to work in offices that can be more capably secured? If an employer rejects demands like these, do legislators believe they are refusing to bargain in good faith?

Other unintended consequences: Under <u>an unrelated 2023 bill</u>, many non-teaching school employees are <u>able to draw unemployment</u> over the summer – money also repaid by districts. If those unionized workers decide to go on strike anytime in a 52-week period, they would have already fulfilled a one-week waiting period requirement and, under SB 916, may start collecting unemployment after just the first week on strike, Employment Department spokesman Seth Gordon confirmed. While it's hard to predict whether those unions would be more likely to strike, it is undeniably a significant factor in the equation.

And a final risk is to striking workers themselves. Very few strikes last longer than a few weeks. But anyone who collects unemployment during that strike would lose those weeks of benefits if they are then laid off in that 52-week claim period, according to Gordon. As the PPS negotiations show, layoffs following a strike are genuine concerns.

Legislators are trying to find all sorts of ways to dismiss the likelihood of these unintended consequences. But SB 916's risks are clear and known. Oregonians should not forget that once the fallout begins.

-The Oregonian/OregonLive Editorial Board