

**SB 916 B    STAFF MEASURE SUMMARY**  
**House Committee On Labor and Workplace Standards**

**Carrier:** Rep. Elmer  
**Minority Report**

**Action Date:** 05/21/25

**Action:** Do pass with different amendments to the A-Eng bill. (Printed B-Eng.) Minority

**Fiscal:** Fiscal impact issued

**Revenue:** Revenue impact issued

**Report Signers:** Rep. Elmer, Rep. Boshart Davis

**Prepared By:** Erin Seiler, LPRO Analyst

**Meeting Dates:** 4/28, 4/30, 5/21

**WHAT THE MEASURE DOES:**

The measure provides that an individual who is otherwise eligible for unemployment insurance (UI) benefits from the Oregon Employment Department (OED) is not disqualified for UI benefits or waiting week credit for six weeks following the first two weeks that OED finds the individual is unemployed because of a lockout. It specifies that an individual is disqualified for UI benefits for the first two weeks that OED finds that unemployment of the individual is due to a strike. The measure sunsets the provisions that permit an individual otherwise eligible for UI benefits to receive UI benefits when OED finds the individual is unemployed is because of a strike at the factory, establishment, or other premises at which the individual is or was last employed or at which the individual claims employment rights by union agreement on January 1, 2036.

Detailed Summary:

Section 1

Amends existing law to specify that an individual who is otherwise eligible for UI benefits is not disqualified for UI benefits or waiting week credit for six weeks following the first two weeks that OED finds the individual is unemployed because of a lockout at the factory, establishment, or other premises at which the individual is or was last employed or at which the individual claims employment rights by union agreement regardless of UI laws relating to availability to work, actively seeking work, or refusal to accept suitable work.

Specifies that an individual is disqualified for UI benefits for the two weeks that OED finds that unemployment of the individual is due to a strike.

Specifies that an individual who is otherwise eligible for UI benefits is not disqualified for UI benefits or waiting week credit for six weeks following the two weeks that OED finds the individual is unemployed because of a strike at the factory, establishment, or other premises at which the individual is or was last employed or at which the individual claims employment rights by union agreement regardless of UI laws relating to availability to work, actively seeking work, or refusal to accept suitable work.

Section 4

Redefines "contribution" to mean taxes. Defines "labor dispute," "lockout," and "strike."

Section 5

Provides an exception to the prohibition that back pay paid by an employer to an individual may not be reduced by the amount of UI benefits the individual received when the back pay was paid to resolve a strike to an employee who received UI benefits while on strike.

Section 8

## **SB 916 B STAFF MEASURE SUMMARY**

Provides a process for the repayment or deduction of future UI benefits because an individual received UI benefits that the individual was not entitled to receive because the individual received back pay from an employer to resolve a strike.

### Section 11

Prohibits the Director of OED from waiving recovery of overpaid benefits subject to repayment or deduction as a result of the individual receiving back pay from an employer to resolve a strike.

### Section 15

Specifies that UI benefits charged to a school district or an education service district for weeks during a labor dispute must count toward the employee's total compensation in an applicable collective bargaining agreement. It specifies that the school district shall deduct from the employee's future wages the amount of UI benefits charged.

Specifies that the school district shall deduct from the employee's future wages the amount of UI benefits received.

### Sections 16, 19, and 20

Makes conforming amendments

### Section 22

Requires OED to submit an annual report to the interim committees related to employment. It requires OED to report data on strikes before and after this measure becomes effective, specifically reporting the number of claims for UI benefits submitted by workers and the amount of UI benefits paid to claimants. Requires the data be reported for public and private employers separately.

### Section 23

Repeals reporting requirement on January 2, 2038.

### Sections 3, 7, 10, 13, and 18

Sunsets provisions that permit an individual otherwise eligible for UI benefits to receive UI benefits when OED finds the individual is unemployed is because of a strike at the factory, establishment, or other premises at which the individual is or was last employed or at which the individual claims employment rights by union agreement on January 1, 2036.

## **ISSUES DISCUSSED:**

- Reasons employees strike
- Public Employee Collective Bargaining Act (PECBA) collective bargaining timeline
- Potential impact on employers who pay unemployment insurance (UI) taxes
- UI eligibility requirements
- Potential impact on decisions to strike and length of strike
- Potential impact on reimbursing employers
- Economic impact to Oregon
- Mechanics of UI Tax Rate Schedules and "experience rating"
- Potential impact on UI Trust Fund
- Other states that allow striking workers to collect UI benefits
- Conformity with Federal regulation of UI benefits
- Impact on school districts
- Ability of OED to report to the Legislature on measure outcomes
- Public employees prohibited from striking

## **SB 916 B STAFF MEASURE SUMMARY**

### **EFFECT OF AMENDMENT:**

Replaces the measure.

### **BACKGROUND:**

Generally, unemployment insurance (UI) provides money to people who have lost their job or have had their hours reduced as they look for employment. Unemployment insurance is supported through contributions from Oregon employers into the Unemployment Insurance Trust Fund. The Oregon Employment Department (OED) administers the UI program in Oregon; collects the contributions that support the program; determines eligibility for UI benefits and pay benefits; and works to prevent fraud.

Currently, a person is disqualified for UI benefits for any week that the OED Director determines that the unemployment of the person is due to a labor dispute that is in active progress at the person's place of employment. There are exceptions to this law, such as when the unemployment is due to a lockout.

Senate Bill 916 MRB specifies that an individual who is otherwise eligible for UI benefits from OED is not disqualified for UI benefits or waiting week credit for six weeks following the first two weeks that OED finds the individual is unemployed because of a lockout. The measure sunsets the provisions that permit an individual otherwise eligible for UI benefits to receive UI benefits when OED finds the individual is unemployed is because of a strike at the factory, establishment, or other premises at which the individual is or was last employed or at which the individual claims employment rights by union agreement on January 1, 2036.