



February 7, 2025

Senator Taylor, Chair
Senate Committee on Labor and Business
900 Court St. NE
Salem, OR 97301

Re: Opposition to SB 916

Chair Taylor and Members of the Senate Committee on Labor and Business:

The City of Hillsboro appreciates the opportunity to provide testimony on SB 916. The City strongly opposes this bill which if passed, will have a direct and significant financial impact on the City and taxpayers. We echo the points raised by the League of Oregon Cities and offer this additional information for consideration.

As a city government, we participate in the unemployment insurance reimbursement program by reimbursing the State dollar-for-dollar for unemployment claims. We support, financially and philosophically, the intent and purpose of the unemployment insurance program and agree that such a program is necessary and important for employees and employers.

The unemployment insurance program is intended and designed to support employees who are out of work through no fault of their own, e.g., due to layoffs, or lack of work. We support our employees and their utilization of unemployment benefits under those circumstances, that is what the City funds are meant for. Labor is now seeking to inappropriately utilize the program to financially support their members who are involved in labor disputes at the cost of employers, and in our case, the taxpaying public.

If passed, this bill essentially requires pay for employees who voluntarily choose not to work when work is available to them. In our case, the City would be paying not only the employee who is in a labor dispute and not working, but also paying employees who would be covering the work that is not getting done for our community. Put simply, the cost impact of SB 916 is not limited to uninsurance claims but reaches the general public as well. In addition to the financial burden and cost of using the unemployment insurance program in this contradictory manner, this would erode the public trust and undermine our ability to be good financial stewards of public monies.

This bill inappropriately interferes with established labor relations law and practices that are intended to promote labor harmony and minimize or efficiently resolve labor disputes. This bill provides an unfair advantage to labor in a dispute by forcing all employers to fund the act of striking (or other labor disputes) and undermining the purpose of a strike. Employer funded pay for unemployment insurance benefits while employees are engaged in a labor dispute is entirely beyond the scope of the unemployment insurance program and spirit of the Public Employee Collective Bargaining Act (PECBA). If



this bill should pass, the result would be the creation of an entitlement to unemployment benefits in labor disputes, which by state law (ORS 662.010) are broadly defined as **“any controversy concerning employment relations or concerning the association or representation of persons in negotiating, fixing, maintaining, changing, or seeking to arrange terms or conditions of employment relations, regardless of whether the disputants stand in the proximate relation of employer and employee.”**

Paying an employee not to work when work is available creates a labor shortage that impacts public services, yet the City would have little to no recourse in addressing this situation. It would put undue pressure on us to concede to economic terms with our labor partners that are not fiscally responsible or in the best interest of the community we serve.

We respectfully request the committee to consider the significant financial impact this bill will have to us as a public employer, our taxpayers, and to the integrity of the labor/management relationship. If passed, this bill will have intended and unintended consequences that will negatively impact us and our community for years to come.

Sincerely,

A handwritten signature in black ink, appearing to read 'Robby Hammond', is written over a faint, illegible background.

Robby Hammond

City Manager