



February 6, 2025

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

**RE: City of Eugene Opposes SB 916**

Chair Taylor and Members of the Committee:

The City of Eugene opposes SB 916 as written due to the fiscal impact this bill could impose upon the City at a time when the City is facing looming budget and service cuts. The City values its bargaining units and members but the unbudgeted financial impact this bill could cause could ultimately grow the City's deficit and negatively impact all of its employees including those in bargaining units.

Here is the cost of a potential scenario:

The City's largest union who is eligible to strike is AFSCME. Assuming an average wage of \$60K annually, the maximum weekly UE benefit would be \$750 per member, equal to \$2250 over a hypothetical three-week strike. With roughly 690 members, SB 916 puts the cost of the strike in this example at just over \$1.5 million

In addition to this unemployment insurance reimbursement, the City would also need to cover the costs for temporary employees to cover critical work functions, and costs for lost monies tied to revenue generating programs staffed by AFSCME workers. Lastly, the passage of this bill would likely impact good faith bargaining by removing an incentive from the Union (not necessarily the employees) in reaching agreement. As it stands now most Unions use their fees to cover salaries for those that choose to strike so this bill removes that fiscal burden from them and places it on the employer.

Because of the potential fiscal impact to the city and the removal of an existing bargaining tool, Eugene asks that you Oppose this bill as currently written.

Respectfully,

*submitted electronically*

Ethan Nelson, Intergovernmental Relations Manager