



February 7, 2025

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Dear Chair Taylor and members of the Senate Labor & Business Committee,

The Oregon State Chamber of Commerce (OSCC) **opposes SB 916**, which would extend unemployment benefits to striking workers.

The OSCC represents 89 chambers of commerce statewide. These chambers represent local business communities from every corner of the state who are the backbone of their local communities and provide the goods, services, jobs, taxes and philanthropy that fuel our economy.

We empathize with workers and families in distress due to a labor dispute. People suffer during these disputes, and we do not like that. SB 916 is the worst solution. We do not fault labor for bringing this bill, but taking care of workers on strike should be the domain of the union and not the domain of tens of thousands of small businesses with no connection to the labor dispute.

The unemployment trust fund is a longstanding social compact between businesses and workers. Prior to SB 916, both business and labor were vanguards of the integrity of the trust fund. The fund is intended to support workers who lose their employment through no fault of their own. SB 916 does not meet this simple litmus test.

Employers pay into Oregon's UI fund – and they pay a lot. To be clear, employees do not pay into this fund. It is exclusively employer paid.

Oregon is one of the most expensive UI systems in the nation. We pay such a heavy cost in order to ensure the solvency of the fund when workers need it most. Oftentimes, UI funds are needed en masse to help sustain the entire economy during economic downturns. This is the benefit to the business community.

The flaws of SB 916 are many, but we'll focus on a few that resonate most with our local business communities.

1. 99.9% of our local businesses will never experience any labor problems, much less a labor dispute. SB 916 would have tens of thousands of Oregon small businesses subsidize the labor disputes of the few, mostly very large, business organizations.
2. SB 916 will not reduce pressure on Oregon's already expensive UI system, it will increase the pressure. It will have the effect of putting upward pressure on the self-adjusting tax tables.
3. SB 916 will mitigate the economic risk associated with a strike and will change incentives. Naturally, there will be more strikes and strikes will be of longer duration as a result. This will have impacts on the cost to Oregon employers.



4. Finally, for many decades up until this moment, Oregon's unemployment system has avoided becoming a political football because the two primary stakeholders – businesses and their workers – agreed the integrity of the UI system was the primary objective, far more valuable than any individual UI diversion that did not meet the underlying premise of the UI system.

With the passage of SB 916, that compact is now broken. Now that labor will succeed in pushing their first diversion of unemployment funds to their political cause, the door has been opened.

We will look forward to the legislature approving the business community's subsequent request to use UI funds for issues that are important to our members.

Better yet, let's foreclose on that possibility altogether and table SB 916 and keep the integrity of our UI system going for another 50 years.

Respectfully,

A handwritten signature in blue ink, appearing to read "JL Wilson", is positioned below the "Respectfully," text.

JL Wilson  
Legislative Counsel for OSCC