

The Honorable Members of the Oregon State Senate and House of Representatives, 83rd Oregon Legislative Assembly

Subject: Opposition to Senate Bill 916

Honorable Chair Taylor, Vice-Chair Bonham, and Members of the Senate Committee on Labor and Business:

I am writing to express my strong opposition to Senate Bill 916, which proposes to repeal the existing law denying unemployment benefits to individuals unemployed due to an active labor dispute. I believe that passing this bill would have detrimental consequences for Oregon's business climate, its taxpayers, and the overall balance of labor relations in our state.

SB 916 seeks to amend ORS 657.200 and other related statutes, effectively allowing individuals to collect unemployment benefits while actively participating in a strike or other labor dispute against their employer. This is fundamentally unfair and creates a situation where the state is essentially subsidizing labor disputes, altering the balance of power in negotiations and potentially prolonging work stoppages.

Here are my primary concerns with Senate Bill 916:

- **Increased Unemployment Insurance Costs:** Allowing striking workers to collect unemployment benefits will inevitably increase the burden on Oregon's unemployment insurance fund. This added cost will ultimately be borne by employers through higher payroll taxes, making it more difficult for businesses to thrive and create jobs in Oregon.
- **Unfair Advantage in Labor Negotiations:** Providing unemployment benefits to striking workers gives unions a significant advantage in labor negotiations. It reduces the financial pressure on employees to reach a compromise and could lead to unreasonable demands, ultimately harming the competitiveness of Oregon businesses.
- **Potential for Prolonged Labor Disputes:** By mitigating the economic impact of strikes on workers, SB 916 could incentivize longer and more frequent work stoppages. This would disrupt business operations, harm the economy, and negatively impact Oregon's reputation as a place to do business.
- **Erosion of Neutrality:** The unemployment insurance system is designed to provide temporary assistance to individuals who are involuntarily unemployed through no fault of their own. Providing benefits to those who voluntarily withhold their labor in a dispute undermines the neutrality of the system and turns it into a tool for unions to leverage against employers.

I urge you to carefully consider the potential negative consequences of Senate Bill 916 and to reject this legislation. It is crucial to maintain a fair and balanced labor environment in Oregon, one that encourages collaboration and compromise rather than incentivizing conflict.

Thank you for your time and consideration.

Respectfully,

Marc Kilman-Burnham – Governmental Affairs Global Medical Response