

Testimony of the Eugene Area Chamber of Commerce In Opposition to Senate Bill 916



Chair Prozanski and Members of the Committee,

Thank you for the opportunity to testify today. My name is Tiffany Edwards, and I am writing on behalf of the **Eugene Area Chamber of Commerce**, representing over **1,300 business members**, the vast majority of which are small businesses that form the economic backbone of our community.

We strongly oppose **SB 916** because it fundamentally alters the purpose of unemployment insurance, creating a dangerous precedent that shifts financial burdens from labor unions to employers and taxpayers. **Unemployment benefits exist to support workers who lose their jobs through no fault of their own—not those who voluntarily walk off the job.**

The Cost to Employers & Local Economies

Oregon's private employers are already grappling with rising costs, economic uncertainty, and increased regulatory burdens. Now, this bill proposes yet another financial strain by forcing businesses to subsidize striking workers—even as those businesses suffer the direct impact of a work stoppage. This is particularly harmful for small businesses that lack the resources to absorb these additional costs.

Consider this: Oregon's economy is **lagging**. The **state's own economists have confirmed a manufacturing recession**, and Oregon's **ranking for business friendliness has plummeted to 48th in the nation**. A recent survey found that over **40% of businesses are considering leaving or shutting down entirely**. SB 916 would only accelerate this downward trend, making Oregon even less competitive.

The Fiscal Reality & Unintended Consequences

The **Employment Department's estimate** of a \$5.3 million fiscal impact is deeply flawed.

- Had this bill been in effect during the **2023 Portland Public School strike**, it would have cost taxpayers over **\$8 million** in UI benefits alone.
- The recent **Providence strike** would have cost **\$16–20 million** in unemployment benefits.
- And here in **Eugene**, a **strike has been ongoing since September 2024 with no resolution in sight**—the financial implications for our local businesses, including our **cannabis industry**, would be severe.

Allowing striking workers to claim UI benefits **will only encourage more strikes**, adding to the **280% increase in strike activity nationally in 2023**. If this bill passes, Oregon businesses and taxpayers will bear the cost—not just in direct UI payments, but in lost productivity, economic instability, and potential budget shortfalls for local governments and school districts.

Oregon Would Be an Outlier

Only **two states**—New York and New Jersey—allow striking workers to collect UI benefits, but their labor laws **do not mirror Oregon's**. In **New Jersey**, employees **pay into** the unemployment system. In **New York**, **public employees have restrictions on when they can strike**—Oregon has no such limitations. **We are not New York or New Jersey, and we cannot afford to follow their lead.**

Conclusion

SB 916 **disregards the struggles of private employers, ignores economic realities, and creates an unfair and unsustainable burden** on businesses and taxpayers alike. Oregon is at a crossroads: we can either work to strengthen our business climate or we can enact policies that drive businesses away.

On behalf of the Eugene Area Chamber of Commerce and the businesses we represent, we urge you to **reject SB 916** and stand with the employers who power our communities.

Thank you.

Tiffany Edwards
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Eugene Area Chamber of Commerce